

Finance and Resources Committee

Agenda

Meeting reference: F&R2025-26/02

Date: Monday 08 December 2025 at 5:00pm

Location: Online

Purpose: Scheduled 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 29 September 2025	Clerk	Chair	Paper 1
5	Actions arising from previous minutes			
6	Financial Performance & Budgets			
6.1	Section 22 & Wider Scope External Audit Reports – update	Depute Principal (Operations)	Depute Principal (Operations)	Verbal
6.2	Draft Performance Report for Year Ended 31 July 2025	Depute Principal (Operations)	Depute Principal (Operations)	Paper 2
*6.3	Final Budget 2025/26	Depute Principal (Operations)	Depute Principal (Operations)	Paper 3
*6.4	Financial Forecast – Year to 31 July 2026 at 30 September 2025	Director of Finance	Director of Finance	Paper 4
7	Estates			
7.1	Estates Update	Director of LSER	Director of LSER	Paper 5

8	Human Resources			
8.1	HR Update	Depute Principal (Operations)	Depute Principal (Operations)	Paper 6
9	Information Systems			
9.1	Digital Transformation Update	Director of LSER	Director of LSER	Paper 7
10	Committee Minutes (for noting by Committee)			
10.1	EDIT Committee <ul style="list-style-type: none"> • 25 September 2025 			Paper 8a
10.2	Perth Staff Group <ul style="list-style-type: none"> • 04 September 2025 			Paper 8b
10.3	JNC Committees <ul style="list-style-type: none"> • Support Staff – 23 October 2025 • Lecturing Staff – 30 October 2025 			Paper 8c Paper 8d
13	Date and Time of next meeting <ul style="list-style-type: none"> • Tuesday 10 March 2026 		Clerk	
*14	Review of Meeting (Committee to check against the Terms of Reference to ensure all competent business has been covered)			Paper 9

Finance & Resources Committee

DRAFT Minutes

Meeting reference: F&R2022-26/01

Date: Monday 29 September 2025

Location: Online

Members present: Elaine Piggot, Chair
Sarah Cordwell, Board Member
Ian Robotham, Board Member
Alistair Wylie, Interim Chair of Board (from Item 5)
Catherine Etri, Interim Principal
Richard Fyfe, Staff Board Member
Andi Garrity, Student Board Member

In attendance: Lynn Murray, Deputy Principal (Operations)
Fiona Cameron, Interim Director of Finance
Katy Lees, Director of HR
Ian McCartney, Clerk to the Board

Apologies: Deirdre Joy, Board Member
Laeq Rehman, Board Member

Chair: Elaine Piggot

Minute Taker: Ian McCartney

Quorum: 4

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We will act with integrity in everything we do

Student Centred + Innovative + Ambitious + Respectful + Inclusive + Collaborative

MINUTES

Item		Action
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>Chair noted that a later paper (Paper 12) had been issued ahead of the meeting to be discussed under Item 6.2.</p>	
3.	<p>Declaration of Conflict of Interest in any Agenda Item</p> <p>There were no declarations made.</p>	
4a.	<p>Minutes of Meeting of Extraordinary Finance & Resources Committee, 25 June 2025</p> <p>The minutes were approved as a true and accurate record of the meeting.</p>	
4b.	<p>Minutes of Meeting of Extraordinary Finance & Resources Committee, 20 August 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><u>Finance Team Resources</u> Chair sought to clarify expectations around information to be provided for Committee and Board, with particular reference to cashflow updates and comparative performance against budget.</p> <p>Depute Principal (Operations) noted that, despite additional resources being allocated to the Finance Team, there has never been sufficient time or resource to make the changes required to streamline processes, implement robust financial controls and improve systems to reduce manual-intensive work due to business-as-usual activity and other priorities.</p> <p>Committee AGREED that Finance Team resources should be discussed at the October Board meeting to consider options.</p>	Clerk
6.1	<p>FE Sector – Consolidated Financial Data</p> <p>Depute Principal (Operations) summarised a Finance Director Network briefing which painted a bleak financial position across the sector. Interim Principal noted that Colleges are in discussion with</p>	

	<p>the Colleges Scotland Principals' Group to present a paper to SFC & Scottish Government to present a manifesto position ahead of 2026 Scottish Elections.</p> <p>Committee NOTED Paper 3.</p>	
<p>6.2</p>	<p>Section 22 & Wider Scope External Audit Reports</p> <p>Depute Principal (Operations) provided an update on the Section 22 & Wider Scope External Reports, and presented Paper 12 as a late paper, noting this paper will also be presented to Audit Committee and Board.</p> <p>Depute Principal (Operations) advised that the Section 22 Report had been laid before the Scottish Parliament with the Financial Statements and is likely to be scrutinised by Parliamentary Audit Committee in the near future, however no information has yet been provided with regard to timescales or whether anyone from UHI Perth will be called to provide evidence.</p> <p>Depute Principal (Operations) noted that the Conclusions recorded in the Report show the steps taken to address issues raised.</p> <p>Board Member queried the reference in Paragraph 8 of the Report which identified delays in the production of the Audit with respect to whether the previous significant delays caused by resource issues experienced by the External Auditor had been raised. Depute Principal (Operations) confirmed that the previous delay issues had indeed been fed back as part of the return response, however this aspect had not been included in the report.</p> <p>Committee NOTED Paper 12.</p> <p>Depute Principal (Operations) provided a verbal summary of the Wider Scope scrutiny, which focuses on issues around AST and various resignations during 2025, noting that no feedback had yet been received from the Management comments provided to the External Auditors.</p> <p>Chair noted that it would be useful for these issues to be responded to as part of the formal Audit processes for 2024/25 to avoid crossover with the 2023/24 issues covered under the Section 22. Depute Principal (Operations) agreed, further noting that having the matter fully documented would likely be useful as part of Section 22 scrutiny.</p> <p>Depute Principal (Operations) advised Committee that the External Auditors were looking for AST to be consolidated into UHI Perth's Financial Statements, which was unexpected following the requirement for a Statement of Affairs requiring to be produced as part of AST's Administration process. Conversations with AST's</p>	

	<p>auditors and Administrators are ongoing in order to determine how consolidation will be achieved, if required. Chair queried whether this development would delay the production of the 2024/25 accounts; Depute Principal (Operations) advised that a delay was possible.</p> <p>Depute Principal (Operations) also updated Committee on the Internal Audit review of Financial Processes, noting that a draft report had now been received which included recommended actions. Chair informed Committee that this report would form part of discussions around Finance at the next Board of Management meeting.</p>	
<p>6.3</p>	<p>UHI Perth Financial Update: Year to 31 July 2025 (Estimated Outturn)</p> <p>Interim Director of Finance presented Paper 4, noting that the projected deficit for the year to 31 July 2025 was now projected to increase by £100k to £1.3m, wither details behind this change provided within the Reconciliation table shown in Paper 4.</p> <p>Interim Director of Finance noted in relation to the Cashflow information provided that liabilities around the Job Evaluation process and SFC liquidity support was provided, however it was not as yet known when these items would crystallise.</p> <p>Interim Director of Finance also highlighted, per Appendix 1, that the forecast outturn as it would appear in the 2024/25 Financial Statements was predicted to be a deficit of £3.5m once required balance sheet adjustments were added.</p> <p>Board Member queried how the increase in International Income had been derived. Interim Director of Finance advised that this had resulted from an increase in student numbers, however the final figures for these have still to be clarified.</p> <p>Committee NOTED Paper 4.</p>	
<p>7.1</p>	<p>UHI Perth Financial Monitoring (including Revised Budget)</p> <p>Committee received and discussed a paper around proposed templates for key financial monitoring to support the FRP, and set expectations around turnaround time for figures to be produced for F&R and Recovery Plan Monitoring Committee based on current capacity within the Finance Team.</p> <p>Committee AGREED that reliable delivery of reporting figures should be set at 6 weeks after each month end, while acknowledging that this may impact on discussions at Recovery Plan Monitoring Committee.</p>	

8	<p>Estates Update</p> <p>Committee NOTED Paper 6, which had been provided for information.</p> <p>Board Member queried whether reactive maintenance costs were in line with other colleges within the UHI Partnership. Depute Principal (Operations) was not in a position to confirm this as these are allocated proportionally across UHI.</p> <p>Chair queried whether clarification had yet been provided with respect to the RDEL/CDEL position. Depute Principal (Operations) advised that clarification had yet to be received.</p>	
9	<p>HR Update</p> <p>Director of HR provided a brief summary of Paper 7, which had been provided for information.</p> <p>Board Member sought clarification around the numbers of new cases coming through following the Stress Management Survey. Director of HR advised that this issue was being looked at by Health & Safety Committee and would be reported on in due course.</p> <p>Committee NOTED Paper 7.</p>	
10	<p>Digital Transformation Update</p> <p>Committee NOTED Paper 8, which had been provided for information.</p> <p>Board Member queried whether there was any opportunity to commercialise the Digital Skills Training referred to in the report. Interim Principal advised that a commercial proposal had been received today on that issue, and would be considered accordingly.</p>	
11	<p>Amendments to Terms of Reference – EDIT Committee</p> <p>Director of HR sought approval for Paper 9 re amendments to the Terms of Reference for EDIT Committee, noting that future amendments would be required due to proposed job role changes.</p> <p>Committee APPROVED Paper 9.</p>	
12	<p>Committee Minutes</p> <p>Committee received and noted minutes for the following meetings:</p> <ul style="list-style-type: none"> • EDIT – 23 May 2025 	

	<ul style="list-style-type: none"> • Perth Staff Group – 30 April 2025 • Perth Staff Group – 11 June 2025 • JNC Support Staff – 13 June 2025 • JNC Lecturing Staff – 19 June 2025 • JNC Lecturing Staff – 18 August 2025 	
13	<p>Date & Time of Next Meeting</p> <ul style="list-style-type: none"> • Monday 08 December 2025 @ 5pm (to include joint meeting with Audit Committee) 	
14	<p>Review of Meeting</p> <p>Committee confirmed that the meeting had been conducted in line with its Terms of Reference.</p> <p>Committee NOTED that staff member changes will require to be reflected in the Committee’s Terms of Reference. It was proposed that these be brought forward to the next meeting to allow approval by the December Board.</p>	Clerk

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 Committee
Subject	Draft Performance Report for the year ended 31 July 2025
Date of Committee meeting	08/12/2025
Authors	Lynn Murray, Depute Principal – Operations
Date paper prepared	01/12/2025
Executive summary	<p>The paper includes the draft of the performance report at the time of writing and asks the Finance and Resources Committee for any comments prior to the audited report and financial statements for the year ended 31 July 2025 being presented to the joint Finance and Resources Committee and Audit Committee on 16 December 2025.</p> <p>Appendix 1 – Draft performance report for the year ended 31 July 2025 at 1 December 2025</p>
<p>Committee Consultation</p> <p>Please note which Committees this paper has previously been tabled at, and a brief summary of the outcomes/actions arising from this.</p>	N/A
Action requested	<input checked="" type="checkbox"/> For information <input checked="" 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)
<p>Risk implications</p> <p>Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk?</p> <p>Authors must identify: (a) the relevant risk(s) from the ERM Risk Register linked to the paper; and (b) the Board-approved risk</p>	<p>Yes</p> <p>(a) Reputational – There is a risk that if the report of UHI Perth doesn't present an accurate reflection of the performance for the year there could be adverse consequences to reputation.</p> <p>(b) Averse risk appetite.</p>

<p>appetite level for each associated risk.</p> <p>If yes, please provide details</p>	
<p>Strategic Impact</p> <p>Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf</p> <p>If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.</p>	<p>Financial sustainability</p>
<p>Resource implications</p> <p>Does this activity/proposal require the use of College resources to implement?</p> <p>(If yes, please provide details)</p>	<p>No</p>
<p><u>Equality and diversity</u></p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p>Data Protection</p> <p>Does this activity/proposal require a Data Protection Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<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>

Status (e.g. confidential/non confidential)	Non-Confidential
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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"/>
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 audited report and financial statements for the year ended 31 July 2025 were scheduled to be presented to the joint Finance and Resources Committee and Audit Committee on 8 December 2025. However, due to delays in the external audit, Deloitte committed to providing the audited version by 12 December 2025. The joint Committee was then rescheduled to 16 December 2025 and the Board meeting to approve the report and financial statements was moved to 18 December 2025.

Performance report

2. The performance report is a lengthy element of the report and financial statements and is largely not subject to audit, although Deloitte may still require amendments to be made. Due to the tight turnaround between the joint Committee and the Board, it is considered helpful to share the latest draft with both the Finance and Resources Committee and the Audit Committee for comment so that any amendments can be included in the draft being tabled with the financial statements at the joint Committee on 16 December.

Recommendation

3. It is recommended that the Committee provides comments on the latest version of the performance report with any amendments being included in the report and financial statements presented to the joint Committees on 16 December 2025.

Finance and Resources Committee on 8 December 2025
Appendix 1 - Draft Performance Report for the year ended 31 July 2025

CHI | PERTH

**Report and Financial
Statements for the Year
Ended 31 July 2025**

Perth College – for the year ended 31 July 2025

Perth College is a registered Scottish charity, number SC021209.

Contents

Key Management Personnel and Professional Advisers

Key Management personnel

Key management personnel are defined as members of the Senior Leadership Team and were represented by the following in the year ended 31 July 2025:

Name	Position
Catherine Etri	Interim Principal & Chief Executive and Accountable Officer (from 29 May 2025)
Dr Margaret Cook	Principal & Chief Executive and Accountable Officer (to 14 May 2025)
Lorenz Cairns	Depute Principal – Academic (to 31 July 2025)
Lynn Murray	Depute Principal – Operations
External Auditor	Deloitte LLP. One Trinity Gardens Newcastle Upon Tyne NE1 2HF
Internal Auditor	Henderson Loggie The Vision Building 20 Greenmarket Dundee DD1 4QB
Bankers	Royal Bank of Scotland 12 Dunkeld Road Perth PH1 5RB
Solicitors	Thorntons Solicitors 17-21 George Street Perth PH1 5JY

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Performance report

Performance Analysis

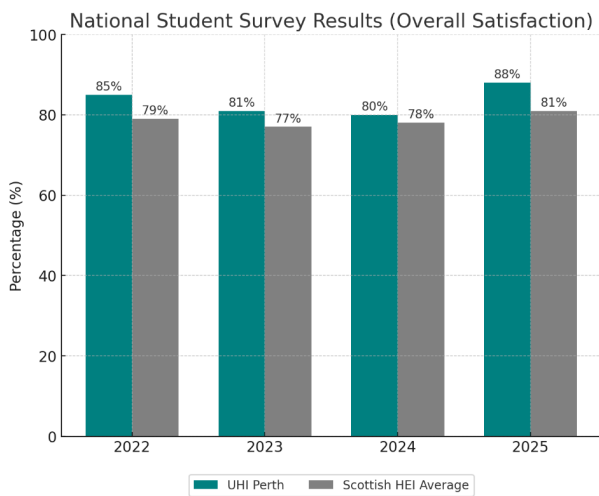
The Performance Report provides an overview of UHI Perth's (also referred to as the College) performance in the academic year to 31 July 2025 covering:

- The Principal's Performance Statement
- a statement of the purposes and activities of UHI Perth
- the key issues and risks that could affect UHI Perth in delivering its strategic plan and
- a performance analysis, financial review for the year, key risks affecting UHI Perth and social matters.

Principal's Performance Statement

Academic Year 2024/25

Although 2024/25 provided many successes it was another very challenging year from a financial perspective. Economic conditions and political decisions had a significant impact on our financial performance. However, despite the challenges, staff and students demonstrated dedication, resilience, commitment and innovation. A big thank you to everyone for continuing to make UHI Perth a success.



The National Student Survey (chart above) showed that UHI Perth scored 88% for overall student satisfaction and is 7 points ahead of the Scottish higher education average.

UHI Perth was named as one of Scotland's top performing colleges in full-time further education in the latest published *College Student Outcomes 2023-24* report by the Scottish Funding Council (SFC). This marks the fourth consecutive year that UHI Perth has outperformed the national sector average in key performance areas.

Performance report

Performance Analysis

Other non-financial highlights included:

- We continue to provide free cost-of-living support to all our students, offering food, toiletries, and other essential items. These goods are available across all our buildings on campus, where students can help themselves from a mini model car, affectionately known as 'Project Caddy', designed and built by our automotive students. In addition, we still offer a complimentary breakfast for all students each day.
- We achieved Level 2 Disability Confident Employer Status.
- We were shortlisted for three prestigious categories in the Herald Education Awards for Further and Higher Education 2025:
 - Support Student Wellbeing Award
 - Outstanding Contribution from a Staff Member
 - Outstanding Contribution from a University Student – an aircraft engineering student.
- The powerful series of self-portraits by one of our lecturers (artist and therapist) was selected for feature by the British Association of Art Therapists (BAAT) as part of their online gallery initiative, Art Therapists Art.
- A talented apprentice from UHI Perth took top honours at the SECTT East of Scotland Apprenticeship of the Year competition.
- The First Minister John Swinney MSP joined students and staff to celebrate the winners of the OBI Awards (Outstanding, Best and Inspiring).
- Our ESOL provision received the highest possible rating of 'Excellent' following a recent inspection by Cambridge English, a global leader in English language assessment.
- Our Music Business Department, in collaboration with the Scottish Music Industry Association (SMIA), hosted a music industry event titled 'Pathways to Success'.
- One of our HNC Sound Production students was a 2025 Charles Parker Prize winner and had a feature broadcast in the New Storytellers Series on BBC Radio 4.
- Our BAH Art and Contemporary Practices and BAH Visual Communication and Design students showcased their work at the Creative Exchange and the open-air gallery at St Paul's Church in Perth City Centre.
- Our BAH Popular Music students took part in the Perth Festival of the Arts.

Performance report

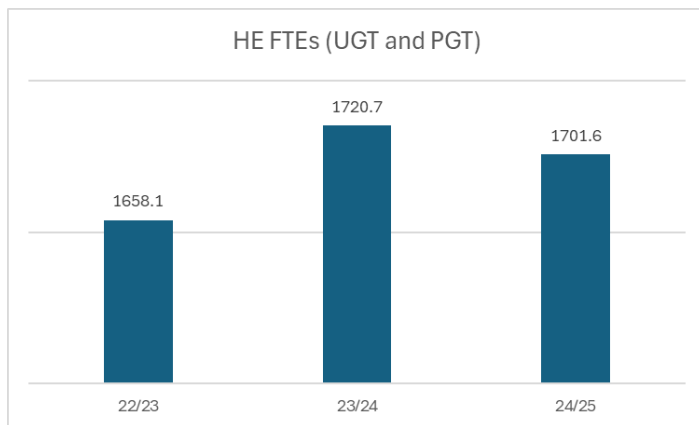
Performance Analysis

- Our Theatre Arts Students had sell-out performances of the Rocky Horror Show, and the first graduating degree cohort set up four companies performing original productions across Tayside.
- Our Art & Design Department concluded the Remembering Together Project in partnership with Perth and Kinross Council, co-creating Covid memorials with communities across five localities.
- Our Sector Manager in Hospitality and Food Studies was invited onto the Board of Management for The Federation of Chefs Scotland as a College Membership Coordinator.
- Legendary Chef, Steven Doherty, the first three-starred Michelin Chef, hosted a Celebration Gala Dinner alongside Hospitality and Food Studies Students in the UHI Perth Treetops Restaurant.
- One of our HNC Professional Chef students travelled to London for the finals of the Nestle Toque D'Or competition.

2024/25 Financial Performance

The Adjusted Operating Position (AOP) for the College was a loss of £1.27m (2023/24: restated AOP of £1.1m). Our aviation business, AST, made a loss of £0.1m for the period up to 9 April 2025 prior to entering administration on 10 April 2025 (2023/24: £0.3m loss), resulting in a reported Group AOP loss of £1.37m as set out on page 15 under the Adjusted Operating Position calculation.

The key drivers of the AOP loss are noted below.



Overall, our HE FTE numbers have increased compared to 2022/23, but when compared to AY 2023/24, there has been a slight decrease. There are three categories within HE:

- **UG (Under-graduate) non-controlled:** This category continues to show steady growth, although we fell short of our ambitious target by 205.3 FTEs.

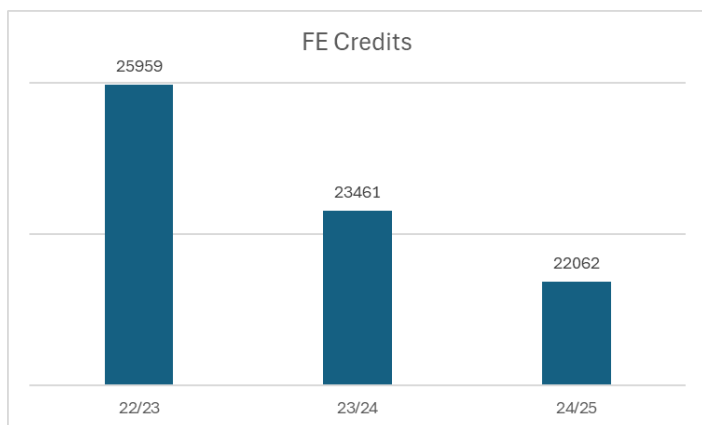
Performance report

Performance Analysis

- **UG controlled:** From 2022/23 through 2024/25, we have observed an overall decline of 28% in this area.
- **PGT (Post-graduate):** Our numbers in this category tend to fluctuate slightly.

We had anticipated continued growth in new recruits and progression following the increase between 2022/23 and 2023/24, but this growth did not materialize to the extent we expected. We have introduced new robust processes and reports to support the target setting exercise that has been implemented in time for planning 2025/26.

We had assumed the Scottish Government recommendation for public sector pay increases in our plans. However, the sector offer, on national bargaining that was agreed during the 2023/24 financial year was almost double the Scottish Government recommendation. Professional services staff were paid their back-dated pay awards in July 2024, and academic staff were paid in October 2024.



The chart above shows our FE credit position over the past three years, with each year exceeding our funded target of 22,050 credits. However, due to UHI Perth's financial position, we were unable to continue delivering the curriculum without adequate funding. As a result, the FE curriculum plan for 2024/25 incorporated a managed process that involved stopping some provision.

Financial Outlook

The financial outlook across UK Further Education (FE) and Higher Education (HE) is of continuing financial pressures, and government investment in Scotland's colleges is inadequate and inequitable with other parts of the education and skills landscape. The Scottish Funding Council (SFC) issued a report in September 2025 on the Financial sustainability of Colleges in Scotland 2022-23 to 2027-28 and Audit Scotland issued a report in early October on Scotland's colleges 2025. Both reports present a dire financial situation for the sector with colleges continuing to operate in an extremely difficult financial landscape with further substantial deficits forecast over the next three years and a high dependency on SFC grants. There has been a

Performance report

Performance Analysis

20% real terms reduction in funding for colleges between 2021/22 and 2025/26 and work done recently by the Finance Directors Network for colleges in Scotland reports that only three colleges will break-even or better in 2025/26 reducing to two in the following two years. Reductions in funding from the Scottish Government since 2023/24 such as the Flexible Workforce Development Fund, Mental Health Counsellor and Digital Poverty Support, exert further pressure as services must be funded from existing budgets. Without changes to baseline funding, colleges will have to deliver even less to remain sustainable at a time when demands from students and employers are not being met.

Although full-year cost savings were achieved as a result of many academic staff and staff from professional services leaving through voluntary severance in 2022/23 and 2023/24, UHI Perth still had to budget for a financial deficit in 2024/25 as income from government funding and commercial activities was not sufficient to cover the increased staff costs from nationally negotiated pay awards and inflationary rises in non-staff costs.

In March 2025, it was identified that the forecast deficit position was worse than had been budgeted, mainly due to an accounting error caused by staff that were new to the College Finance Team and did not have corporate memory of UHI Perth finances, and resourcing issues within the Finance team, which had been a longstanding issue.

The SFC provided advance funding totalling £1.5m in November and December 2024 as there was a shortage in cash resulting from various factors including a deficit in 2023/24, the three-year backdated pay awards being made to academic and professional services staff between July and October 2024 and one-off voluntary severance costs. The letter from SFC set the condition that the advance of grant is repayable/ recoverable from future grant-in-aid payments when college management accounts and cash-flow statements indicate these can be accommodated.

In March 2025 it was highlighted that cashflow forecasts identified liquidity support of £1m being required in July 2025; this had not been identified previously due to accounting errors by staff that were new to the College Finance Team and did not have corporate memory of UHI Perth finances. This prompted a request from the SFC via the UHI as Regional Strategic Body (RSB) for a Financial Recovery Plan (FRP) demonstrating when and how UHI Perth would achieve a break-even budget. The need for liquidity support was delayed by implementing the following measures:

- The RSB agreed that £700k clawback from reduced HE numbers could be delayed until later in 2025.
- SFC agreed that we could draw down 2025/26 funding early.
- The Interim Principal instigated emergency spending controls ensuring only essential spend and deferring spend where possible.

Deficits of £2.4m, £3.3m and £3.9m were forecast for the three years from 2025/26 and on 30 June 2025 the UHI Perth Board agreed a baseline budget for 2025/26 subject to an FRP. The interim Principal and Chief Executive instigated a 9-stage approach to developing an FRP involving staff members and external partners. The Board approved an FRP on 27 August 2025 to achieve a break-even position over a three-year period, depending on several assumptions in respect of income growth and staff and non-staff cost savings. The RSB and the SFC provided feedback on the FRP looking for assurance on delivery timescales and risk, which is being actioned. An FRP Monitoring Committee has been established that will report directly into the

Performance report

Performance Analysis

Board on progress and identify any mitigating actions if the assumptions are not realised within timescales.

The Auditor General published a section 22 report on 25 September 2025 due to UHI Perth's failure to produce a budget for 2023/24. The Auditor General concluded that, although UHI Perth has begun addressing its financial management and governance weaknesses, it needs to continue to work with the University of the Highlands and Islands and the Scottish Funding Council to strengthen how the college operates. That needs to be done alongside finalising and implementing a robust financial recovery plan.

Financial risks

In our 2023/24 financial statements we underlined significant risks to the financial sustainability of UHI Perth in future years.

These risks included:

- HE student numbers.
- A "flat cash" funding outlook.
- National Pay Bargaining outcomes.
- Job Evaluation.
- Inflation and especially the cost of energy.
- Continuation of the top slice payment to the University (UHI) (~£4.3m for 2024/25) for HE & FE students. It is recognised that this does not represent value for money for UHI Perth.

All these risks, apart from job evaluation, materialised in 2023/24, and all continued to be risks during 2024/25.

The FRP identified financial risk associated with each cost saving and income growth assumption. Other key financial risks identified in the FRP are:

- SFC and UHI changes to the FE funding distribution methodology.
- Additional staff on-costs.
- Deterioration of infrastructure – estates and digital.

Changes in the Board and Leadership Team

Between April and May 2025, the Chair, four Board members, the Principal and Chief Executive and Director of Finance resigned and left UHI Perth. The Depute Principal, Academic resigned and left in July 2025.

An interim Chair was appointed in April 2025, the Board reached near full complement of independent Board members in September 2025, an interim Principal and Chief Executive was appointed on 29 May 2025, and an Interim Director of Finance was appointed on 9 June. The Depute Principal, Operations gave six months' notice to leave by the end of January 2026, and a revised Senior Leadership Team structure was put in place with a new Depute Principal starting in December 2025 and recruitment underway for a Chief Financial Officer.

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As part of the cost savings identified in the FRP, five managers left the organisation through voluntary severance by 30 November 2025.

AST administration

On 10 April 2025 an administrator was appointed to Air Services Training (Engineering) Ltd (AST), UHI Perth's charitable trading subsidiary following a worsening financial position since the pandemic. Their financial position from 1 August 2024 to 9 April 2025 has been consolidated into these financial statements.

AST provided part 66, which is an essential component of the BSc (Hons) degree in Aircraft Maintenance Engineering and Management. There is only one other provider in the UK that can deliver this training and the SFC has agreed to cover additional costs to ensure that existing students can complete their degree. Following the appointment of the new provider, UHI Perth were also able to extend the course to new students.

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Strategy

In 2022/23 we introduced our new strategy 2022-2027. Our strategy had significant staff involvement, and the output included the vision, pillars and values set out below.

Our vision is to empower our learners to achieve their full potential through a transformational student experience.

Our strategy was developed over four pillars:

1. College Growth and Ambition
2. Excellence in Learning and the Learner Experience
3. Partnerships and Collaboration
4. Sustainability

And supported by six values:

1. Student Centred
2. Innovative
3. Ambitious
4. Respectful
5. Inclusive
6. Collaborative

The FRP committed to reviewing the strategy during the 2025/26 financial year.

Areas of commonality between the Highlands and Islands Regional Outcome Agreement and the UHI Perth strategy:

- The need to increase the quantity and quality of local jobs.
- To create a culture of employer investment.
- To meet the skills needs of employers, including a need for workplace progression routes and pathways.
- A need for flexible skills provision.

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Regional Context of Our Strategy:

UHI Perth is one of the largest partners in the University of the Highlands and Islands (UHI).

UHI is an integrated university encompassing both further and higher education and part of a new breed of tertiary institutions, the only one in Scotland and one of only a few in Europe. A diverse and flexible partnership serving their local communities and connected to their needs offering flexible and supported learning from access level to PhD.

UHI has over 40,000 students at the heart of the partnership and in some areas exceeds student activity targets and surpasses many sector benchmarks of performance.

It is recognised that the UHI partnership is financially unsustainable in its current configuration and that opportunities for integration, such as joint professional services across all partners, could provide a pathway to addressing this instability.

An Outline Business Case (OBC) was developed during 2024 that considered six options, and agreement was reached amongst academic partners to progress to a Full Business Case (FBC) outlining three options – 1) single institution 2) mergers to deliver a smaller number of partners and 3) change/ transformation within existing constitutional structures. The second option has been discounted and KPMG has been appointed as consultants and are engaging with academic partners to complete a FBC by 31 December 2025.

The Tay Cities Deal incorporating Dundee, Angus, Perth and Kinross and North Fife, is taking forward regional investments to focus on inclusion, innovation and connectedness ensuring delivery of a smarter and fairer region. Within the Tay Cities Deal, the college is working on key projects in engineering, aviation, life sciences, hospitality, creative industries, and digital resilience. UHI Perth has secured significant streams of funding to date through the Tay Cities deals and have used the funds to purchase science laboratory equipment, 3D printers, a laser cutter, a robotic welding cell and peripheral equipment and a profiling and routing machine.

UHI Perth has also accessed funding from the Tay Cities SME skills fund which allows employers and industries to access £5,000 of funding within a three-year period. We are now in our second year of this funding stream and to date have secured over £100,000 to work with local employers to upskill their staff.

Digital Strategy

A successful digital transformation within UHI Perth involves the integration of digital technology into all aspects of the institution's operations, learning, and governance, fundamentally changing how the institution delivers education, engages students, and operates. It is not just about adopting new technologies but also about driving cultural, organisational, and operational change to improve efficiency, innovation and the educational experience.

All staff have access to a compliant, capable and secure digital mobile device affording flexibility and performance to support their digital journey, that has been further facilitated with a unified communications (UC) platform, which plays a crucial role in progressing UHI Perth's digital strategy by centralising communication and collaboration tools, enhancing productivity, and improving engagement. It streamlines our communication, integrates with other Microsoft 365 tools, and facilitates seamless teamwork diagnostic of locations.

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We have provisioned three smart laptop lockers across the campus to allow our students to access digital devices on demand. This is well-used, and capacity is particularly high mid-week in the Brahan building.

We have also created a warm, safe study area in the Academy of Sport and Wellbeing (ASW) to allow our students a 7-days a week, extended hours, digitally equipped learning space within a safe environment equipped with wide screen monitors and a smart cabinet of laptops for student use.

Artificial Intelligence (AI) is an area that has grown quickly in the sector. One key challenge we are facing when looking to adopt Generative AI relates to age restrictions and consent issues for learners under 18. Unfortunately, two of the most popular options (Microsoft Copilot with commercial data protection and Google Gemini) are not currently available to learners under the age of 18. Microsoft has expanded access to Copilot to users aged 13 and older with parental consent and a solution to record this will be rolled out by Autumn. Gemini is yet to create a solution. Some staff are trialling an AI platform called TeacherMatic to aid the creation of teaching materials such as worksheets, quizzes, and lesson plans.

Summary

In summary, 2024/25 delivered some excellent non-financial achievements despite a financially challenging landscape. Our AOP loss in 2024/25 was due to a combination of significant factors including the flat-cash funding model, the drop in the number of HE students and significant pay awards that were nationally negotiated. These factors are out with our control, although the staff are working hard to ensure that the student experience is second to none and that we continue to attract students to our courses and campus.

The members present their report and the audited financial statements for the year ended 31 July 2025.

Ms Catherine Etri

Interim Principal & Chief Executive

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Statement of Purpose and Activities

Legal Status

The Board of Management was established under the Further and Higher Education (Scotland) Act 1992 for the purposes of managing and conducting Perth College.

The Office for National Statistics reclassified colleges as part of Central Government for National Accounts purposes since 1 April 2014.

The College is correctly registered with the Office of the Scottish Charity Regulator (“OSCR”) for charity status and is recognised by HM Revenue & Customs as a charity for tax purposes.

The College is one of the 10 Academic Partners within the University of the Highlands and Islands (“UHI”) and forms part of the UHI FE Regional Strategic Body for reporting purposes to the Scottish Funding Council (“SFC”).

UHI Perth is one of the largest partners in the University of the Highlands and Islands (UHI).

UHI Perth delivers courses at its main campus in Perth and in secondary schools across Perth and Kinross. We support work-based learning across a wide area, as well as collaborating with UHI in the ongoing development of its use of digital technology, providing access to expertise and curricula across Perth and Kinross, the Highlands and Islands and to our national and international partnerships.

The City of Perth is located within 50 miles of 90% of Scotland’s population, in the local authority of Perth and Kinross. The population of Perth and Kinross in 2025 is approximately 153,800 and the estimated unemployment rate is 2.7%. The 2025 Annual Participation Measure showed that 93.3% of 16–19-year-olds were in education, employment or training. The proportion of 16–19-year-olds in employment saw a notable increase from 15.5% in 2021 to 20.7% in 2025.

UHI Perth is proud to serve the needs of its local area, as well as the wider Highlands and Islands Region and beyond. UHI Perth provides a broad curriculum base with access to study at SCQF levels 2 to 12 in areas of local, regional, and national need in subjects grouped into the following sector areas:

- Business, Science, Technology and Wellbeing
- Arts, Humanities and Education
- Centre for Mountain Studies.

UHI Perth also delivers a range of Modern Apprenticeship programmes supported by Skills Development Scotland (SDS), industry bodies and a range of commercial Vocational Qualifications (VQ). Graduate Apprenticeships are delivered in Accounting, Business and Early Years and Education.

School-college partnership provision is linked to relevant vocational pathways, and includes Foundation Apprenticeships in Business, Creative and Digital Media, Early Years, Engineering and Health Care.

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The Senior leadership Team during the year comprised of a Principal and Chief Executive, Depute Principal Academic and Depute Principal Operations, although the Principal resigned and was replaced by an interim Principal during May, and the Depute Principal Academic resigned at the end of July. A new structure will be put in place during 2025/26 comprised of a Principal and Chief Executive, Depute Principal and Chief Financial Officer. The number of Directors in the Perth Leadership Group will be reduced from nine to five following the resignation of the Director of Estates and voluntary severance of the Director of Information Services and Director of HR and OD and end of the interim Director of Finance's contract as part of the cost reduction measures identified in the recovery plan.

Our vision and values are set out in the performance overview above.

Key priorities

Our strategic aims drive forward the Highlands and Islands Regional Outcome Agreement as well as ensuring full participation in Perth & Kinross's Single Outcome Agreement Measures and Community Planning priorities.

UHI Perth continues to work in partnership with relevant local and regional stakeholders to ensure the provision of high-quality curricula and sector engagement within the Regional Skills Assessment area of Tayside but also shares common overall goals with the Regional Skills Assessment of the Highlands and Islands.

Key Risks & Uncertainties

The Board of Management has responsibility for overseeing that UHI Perth identifies, mitigates and monitors strategic risk. The Audit Committee has delegated authority from the Board of Management to manage this process on their behalf.

The Depute Principal Operations is responsible for developing and managing UHI Perth's strategic risk register while the Senior Leadership Team (SLT) is responsible for ensuring that appropriate risk mitigation actions are implemented to address significant risks to UHI Perth's operations and strategic objectives.

An Enterprise Risk Management (ERM) framework was adopted by the Audit Committee and has been exclusively used from part-way through 2023/24. The ERM merges the latest risk management frameworks outlined by the Committee of Sponsoring Organisations (COSO) and ISO30001. The risk categories identified in the ERM are: product delivery, legal and compliance, financial, operational, people, reputational and strategy, and external. The Audit Committee has agreed to review the ERM as in practice it is cumbersome, time consuming to complete, operational and doesn't effectively fulfil the intended purpose. The intention is to use the same format as UHI and work will be carried out across the partnership in 2025/26 to put in place a revised format.

The Audit Committee receives an updated ERM on a quarterly basis and the central focus for UHI Perth and across the sector are the current, heightened, risks to financial sustainability. The key financial risks identified in the performance report above are expanded on below.

- HE student numbers – while UHI Perth meets targets for FE credits, the number of HE students has not increased to pre-pandemic levels. There are many complex factors around this eg Universities lowering entrance requirements, and cost of living pressures

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meaning people look for paid work rather than entering further education. This is a significant risk to UHI Perth's funding entitlement, now and in the future.

- A "flat cash" funding outlook/ SFC and UHI changes to the FE funding distribution methodology – SFC has not provided additional funding to the sector for several years and there are no indications that this position will change soon. This is a significant risk to the financial sustainability of UHI Perth as income is not sufficient to cover increasing staff and non-staff costs due to the reasons set out below. SFC has proposed a new FE funding model to allocate funding across all Scottish colleges with some colleges benefiting and others worse off financially. UHI is considering adjusting the partner distribution model to align with the changes in the SFC model. It is unclear what the impact will be on UHI Perth for future years.
- National Pay Bargaining outcomes and additional staff on-costs – pay awards for academic and support (professional services) staff are negotiated nationally but are not funded by Scottish Government with colleges paying for additional costs. Based on recent increases, unfunded pay increases over the next two years are likely to be between 3% and 4%. There have been increases in employer national insurance costs and lecturer pension contributions that have been funded by the SFC in 2025/26 but there are no guarantees about funding in future years.
- Job Evaluation - National Job Evaluation across the College sector is a significant unknown risk factor. The review was started in 2018 but is still outstanding and any changes would be backdated to 2018. There are indications from College Employers Scotland that this could be implemented in the next two years. UHI Perth has provided based on the salary costs of staff employed in 2018 rather than current costs and there is uncertainty whether the costs associated with Job Evaluation would be fully funded by Scottish Government.
- Inflation and especially the cost of energy – UK inflation has remained high post-pandemic and forecasts do not indicate that this position is going to change soon. UHI Perth's non-staff costs are high, particularly relating to energy, meaning continued cost pressure.
- Continuation of the top slice payment to the University (UHI) of ~£4.3m for HE & FE students – this has long been an issue with academic partners maintaining that this does not provide value for money.
- Deterioration of infrastructure – estates and digital – there has been very little investment in estates and ICT over several years at UHI Perth meaning that our estate continues to deteriorate and we are not providing our students with up-to-date technology in teaching areas that they have come to expect in other learning establishments. There is a risk that students will go to competitors that have had sufficient funding to make these investments.

Cyber-attack presents a significant risk to all organisations with some large multi-national organisations being targeted by criminals. UHI Perth is part of several groups comprised of institutions across the UHI partnership that are working together to mitigate risks. UHI Perth achieved cyber-essential and cyber-essential plus accreditation in 2024/25, which is an annual exercise to safeguard the College as far as possible.

Other risks identified in the FRP relate to:

- Reputation as financial difficulties impact on staff, students, stakeholders, and potential partners.
- Potential intervention and increased public scrutiny from the Regional Strategic Body, SFC, external audit and Audit Scotland.

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- Staff morale issues and potential for industrial relations tensions.
- Inability to invest in strategic priorities, digital transformation, or economic development partnerships.

Non-Financial Performance

Key Performance Indicators

Key Performance Measure	2024/25	2023/24		Percentage change
HE UG Recruitment FTEs	1579.5	1,564.0	↑	1%
FE Recruitment Credits	22,062	23,461	↓	(6%)
NSS Overall Satisfaction	88%	80%	↑	8%
Student Satisfaction and Engagement Survey (SSES) Overall Satisfaction	95%	96%	↓	(1%)
Staff turnover	20%	26%	↓	(6%)
Staff absences days per head	6.5	6.2	↑	5%
Staff CPD days per employee	6.39	5.41	↑	18%
Percentage of permanent teaching staff with Teaching Qualification in Further Education (TQFE)	73%	67%	↑	6%

HE UG recruitment for non-controlled courses are slightly higher than last year, however still remain below pre-Covid and targeted levels. Through a robust and managed approach, FE recruitment credits decreased in 2024/25, however remain above targeted level.

Our sickness data shows a 5% increase when compared to the previous year. This can be attributed to an increase in sickness within the management staffing group and is being monitored within 2025/26.

We continue to support 10 members of staff to do their TQFE each year as can be seen by our increased percentage of staff with this qualification or equivalent.

Student Numbers

In a highly challenging recruitment environment, UHI Perth has seen an increase in HE Undergraduate FTEs, albeit below target, and a targeted reduction in FE credits. As set out in our key risks and uncertainties the target missed in HE numbers in previous years is partly due to universities changing their entry requirements which has increased their student numbers and impacted on college numbers.

UHI Perth achieved over 100% of its FE Credits and 88.5% of its HE Undergraduate FTE's. The credits and FTEs are set out in more detail below:

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	Year ended 31 July 2025			Year ended 31 July 2024		
	Actual	Target	Variance	Actual	Target	Variance
Core FE Credits	22,062	22,050	12	23,461	22,050	1,411
Undergraduate HE FTE's	1,579.5	1,784.8	(205.3)	1,564	1,674	(110)
Postgraduate FTE's	41.1	41.1*	-	49.6	48.6	1.0

*There was not a target in place for postgraduate FTEs in the year to 31 July 2025, therefore target has been assumed to be the same as actual.

Financial Performance

Financial Results

These financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice 2019 ("SORP"): 'Accounting for Further and Higher Education'; the Financial Reporting Standards FRS 102 and the 2024/25 Government Financial Reporting Manual (FRm) and in accordance with applicable Accounting Standards.

They conform to the 2024/25 Accounts Direction for Scotland's Colleges ("the 2024/25 Accounts Direction") and other guidance issued by the SFC.

UHI Perth has achieved an operating deficit of £3.5m for the year ended 31 July 2025 and an Adjusted operating deficit of £1.4m.

	Year ended 31 July 2025	Year ended 31 July 2024
	£'000	£'000
Operating deficit	(3,541)	(3,315)
Variance from prior year	(226)	2,321
Adjusted Operating Position (Restated 2024*)	(1,371)	*(1,403)
Variance from prior year	32	(307)

*The previous years AOP has been restated as provision for Job evaluation had not been excluded in the prior year calculation and a figure for unfunded pension payments had been included in error. The Adjusted Operating Position note on Page 16, show the details calculation.

The College recognises the risks posed by an increasing cost base, particularly staff costs, against changing demand and reduced central funding in real terms.

The current operating and funding model in place across the UHI partnership places a material risk on financial sustainability. The complexities of delivery across the region and accounting for this create a sizeable challenge in terms of efficient delivery and management.

The Statement of Comprehensive Income ("SOCl") presents the financial performance during the accounting period in accordance with the SORP.

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The Adjusted Operating Position ("AOP") is intended to reflect the underlying operating performance after allowing for material one-off or distorting items required by the SORP or other items out with the control of the institution.

The AOP is therefore designed to smooth any volatility in reported results arising from FRS 102 and to recognise that some of the reported costs do not have an immediate cash impact on the institution.

Adjusted Operating Position

The adjusted operating position of UHI Perth, as set out below, has remained at a similar deficit to the prior year of £1.4m.

	2024/25 £000	Restated 2023/24 £000
Adjusted Operating Position		
(Deficit) before other gains and losses	(3,579)	(3,353)
Add Back:		
Depreciation - net of deferred capital grant release (Note 1)	1,492	1,379
Pension adjustment – Net Service Cost (Note 2)	184	51
Pension adjustment – Net Interest Cost (Note 3)	22	25
Costs of support staff and middle management job evaluation exercise not matched by income (Note 4)	510	495
Deduct:		
Non-government capital grants	-	-
Adjusted Operating (Deficit)/Surplus	(1,371)	*(1,403)

* The previous years AOP has been restated as provision for Job evaluation had not been excluded in the prior year calculation and a figure for unfunded pension payments had been included in error.

Note 1: Depreciation does not have an immediate cash impact on the institution, and, in any case, capital expenditure will largely be funded by government or Additional Learning Fund grants, so the charge is taken out.

Note 2: The adjustments to the pensions charge represent the net service cost (i.e. the present value of projected benefits resulting from employee service in the current year less cash contributions paid).

Note 3: The net interest cost is the interest accumulated on the pension liability, and this is offset against the current year's interest earned on pension assets.

Note 4: A provision exists in relation to the ongoing 2018 National Job Evaluation exercise, which is an unrealised cost and not matched by income.

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Financial Ratios

Our goal is to optimise financial stability through innovative and careful management. Every effort will be made to maximise the efficient and effective use of funds to support the academic aims and objectives of the College within the constraints of central government accounting rules. Scottish Government budgeting and accounting requirements require the College to at least break even on both an operational and resource basis in each fiscal year and to minimise cash balances.

The following table gives a summary of key financial and other operating ratios:

	2024/25	2023/24
Operating (Deficit) as % of Total Income	(13.3%)	(12.1%)
Non SFC Income as % of Total Income	32.9%	37.8%
Current Assets: Current Liabilities	0.69	0.64
Staff Costs as a % of Total Income	80.1%	80.0%
Ratio of days cash to total expenditure	21.0 days	22.0 days
Trade creditor days	24 days	30 days

Most ratios above have declined in line with expectations due to flat cash funding and the increasing cost base.

Cash Flows and Liquidity

Days cash has decreased from 22 days to 21 days. This is due to the operating deficit which has resulted in a cash loss for the college as expected.

The current assets to current liabilities ratio increased from 0.64 to 0.69. Key changes have been a reduction in trade debtor balances and reduction in accrued charges.

Payment Performance

The College has a policy of paying its suppliers within 30 days of invoice unless other separate terms are in place, and excluding invoices held in dispute. Where possible, and in line with Scottish Government guidance, invoices are paid in the next available payment run following posting to the finance system. Creditor days (trade creditors divided by other operating expenditure) is 24 days in 2024/25 as against 30 days recorded in 2023/24.

The reduction in trade creditor days is due to the impact of the policy of ensuring suppliers are paid within 30 days.

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Payment performance is shown in the below table:

	2024-25		2023-24		Variance	
	% by value	% by numbers	% by value	% by numbers	% by value	% by numbers
Less than 30	61%	64%	62%	65%	(1%)	(1%)
30-60	31%	31%	29%	28%	2%	3%
60-120	6%	3%	5%	4%	1%	1%
More than 120	2%	2%	4%	3%	(2%)	(1%)

There has been a negligible difference between 23/24 and 24/25 in the invoices paid within 30 days. This data includes all payments made during the year and includes invoices in dispute, those not provided in line with finance requirements and invoices not due within 30 days (such as business rates).

No interest was paid under the Late Payment of Commercial Debts (Interest) Act 1998.

Estates Strategy

In line with the UHI Strategic Plan 2022-27 UHI Perth has developed key objectives to achieve going forward, including:

1. Develop the vision for the UHI Perth Estate to include a viable masterplan over the next 10–25 year period, building on the work undertaken through external consultations and the partnership with Perth & Kinross Council.
2. Produce a report outlining the physical space requirements for classrooms, specialist facilities and common shared space aligned to UHI Perth current student numbers. Provide a comparison to current available space highlighting surplus or deficit in space available across each category with recommendations for improving utilisation.
3. Produce a gap analysis report of where UHI Perth estate supports/ limits digital access for students and staff with recommendations on where investments require to be made with associated cost projections.
4. Identify elements of estate that are not fit for purpose or surplus to requirements which may leverage capital value to support broader estate masterplan viability.
5. Utilise energy usage data by building, identify approaches to reduce usage of energy, identify alternative sources of energy generation and where these could be deployed together with recommendations on investments required and funding sources available to reduce the investment cost to implement these renewable sources.
6. Produce a report identifying no cost/ low-cost approaches to engaging staff and students in improving UHI Perth energy efficiencies while reducing carbon emissions overall. Develop a campaign to engage all key stakeholders, including timelines and targets.
7. Produce a report outlining the demand for student accommodation including a gap analysis with recommendations on alternative approaches for consideration. Collaborative partnerships and alternative finance options should be developed for consideration.
8. Undertake a review with the engagement of students to identify improvements to campus space and service provision for students and staff including catering, social interaction,

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health and wellbeing, business engagement, enterprise and innovation. Recommendations for consideration with resource requirements, prioritisation and proposed timelines will be developed.

Work already undertaken includes:

- Established room utilisation and new systems are regularly monitoring that utilisation.
- Established historic utilities usage trends with a view to establishing more detailed analysis going forward.
- Facilities surveys issued to all departments to record current use, perceived condition and any future requirements.

During 2024/25 a short-life working group of Board members and senior staff was established to review options for the estate. The strategy was paused pending the FRP and initiatives have been included within it.

UHI Perth also confirms compliance with the Scottish Government sustainability reporting in line with the requirements of the Climate Change (Scotland) Act 2009 which sets out the required content for the report to Scottish Government.

UHI Perth has reported every year since the 2015 Schedule became active, including the initial voluntary year in 2015/16. UHI Perth is also an active participant in the Environmental Association of Universities and Colleges (EAUC) who provided training sessions for managers and staff in the summer of 2025.

Environmental Sustainability

Strategy and Governance around climate related issues

The Board of Management is responsible for oversight of the strategic direction of UHI Perth and agreed a Strategic Plan for 2022-27. Sustainability is a key element of UHI Perth's vision and includes strategic objectives and key performance indicators in relation to financial management, reinvestment planning and environmental sustainability.

Regular reports are made to the Finance and Resources Committee on Estates, which include sustainability, which are then reported into the Board. In September 2024 a report was tabled which focussed on some of the initiatives that have been implemented in our journey towards net zero. This includes introducing new waste segregation areas, working with the catering provider to reduce food waste, programming the change of internal and external lighting to LEDs, replacing radiator valves so that they can be switched off when not in use, installing auto switch off software so that PCs and other equipment power down over night, closing part or full areas of buildings to reduce energy consumption, using an electric van, and changing to cleaning products that remove harmful chemicals and reduce packaging.

UHI Perth is one of the academic partners in the University of the Highlands and Islands (UHI). The UHI developed its first sustainability strategy 2023-30 and its first sustainability policy through external consultation with internal and external stakeholders. They were both approved by the University Court in June 2023 and UHI Perth aligns with them.

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A Sustainability Strategy Implementation Group was formed in 2024 bringing together existing groups which oversaw strategy and policy drafting and development. This group has responsibility to drive compliance across the partnership to ensure strategic actions are progressed to meet objectives and targets. UHI Perth is a member of this group that meets quarterly and has been represented by the Director of Estates.

Management's role around climate related issues

The financial context facing UHI Perth and the College sector remains extremely challenging reducing resources available for addressing climate change and investing in the College estates and other climate change / sustainability projects. There is a continued focus on reducing costs and carbon reduction.

The Principal has overall responsibility for management of UHI Perth as Accountable Officer, including sustainability. The Depute Principal Operations has responsibility for Climate Change and Climate Change reporting. The Director of Estates (to be replaced by the Estates Manager) has sustainability included in their remit and during 2024/25 a member of the Estates team was given responsibilities in relation to sustainability, which include developing staff and student engagement with environmental sustainability through a range of activities, and raising the profile of sustainability internally and externally.

The Depute Principal Operations also has responsibility for Procurement and Finance, which helps ensure sustainability is embedded in key corporate processes, procedures and strategies. Sustainability is included as a standing item at Perth Leadership Group meetings that take place every two weeks.

UHI Perth works closely with the Environmental Association for Universities and Colleges (EAUC) who recently ran workshops for the Perth Leadership Group and staff to raise awareness of the Climate Change (Scotland) Act 2009 and the duties placed on UHI Perth, emphasising that sustainability is everyone's responsibility. We have a network of Green Champions across the campus and have had a consultant working with us who has identified opportunities to improve sustainability at UHI Perth.

Risk management around climate related issues

UHI Perth's Enterprise Risk Management framework (ERM) identifies that the environment is a significant concern for staff, students and society. Governments set targets that, if not achieved, will impact on our reputation and income through lower student numbers.

A risk is included in the ERM that there is a lack of commitment to the investment required to achieve net zero. Pre-management of risk, the scores have been identified as:

- Likelihood 61-80%
- Impact Significant
- Risk score 12

Developing an environmental management system would mitigate these risks. Post-management of risks the scores have been identified as:

- Likelihood 10-30%
- Impact Minor

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- Risk score 4

The environmental management system is still to be developed and will be considered in more detail during 2025/26 after the Estates Manager is appointed.

Metrics – climate related issues

In common with other public bodies, UHI Perth has a statutory duty to submit an annual return on Public Body Climate Change Duties (PBCCD) in November each year. The aim is to reduce greenhouse gas emissions for each of the areas shown below with examples for each scope of activity.

Scope 1: Direct Emissions

These are emissions from sources **owned or controlled** by the organisation.

Examples

- Fuel combustion in company-owned vehicles or machinery.
- Emissions from boilers, furnaces, or generators.
- Fugitive emissions from refrigeration or gas systems

Scope 2: Indirect Energy Emissions

These are emissions from the **generation of purchased electricity, steam, heating, or cooling** consumed by the organisation.

Examples

- Electricity used in offices or manufacturing facilities.
- District heating or cooling systems

Scope 3: Value Chain Emissions

These are **indirect emissions** that occur across the **entire value chain**, both upstream and downstream.

Examples

- Emissions from suppliers producing raw materials.
- Employee commuting and business travel.
- Customer use of sold products (e.g. fuel burned in vehicles).
- End-of-life disposal or recycling

The metrics that UHI Perth has included each year in its returns since 2015/16 are summarised in the table below. The balanced scorecard approach adopted by UHI Perth after the Strategic Plan was developed included a target to reduce emissions by 2% year on year. This target will be revisited as part of the review of the Strategic Plan during 2025/26 following the implementation of the financial recovery plan.

Reference year	Academic Year	Scope 1	Scope 2	Scope 3	Total tCO ₂ e
Year 1 carbon footprint	2015/16	576	1,017	271	1,864
Year 2 carbon footprint	2016/17	610	886	189	1,685

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Year 3 carbon footprint	2017/18	667	740	126	1,533
Year 4 carbon footprint	2018/19	660	566	208	1,434
Year 5 carbon footprint	2019/20	574	473	191	1,238
Year 6 carbon footprint	2020/21	606	379	591	1,576
Year 7 carbon footprint	2021/22	571	381	256	1,208
Year 8 carbon footprint	2022/23	537	380	21	938
Year 9 carbon footprint	2023/24	707	413	5	1,125

Digital Strategy

The ICT Department is focusing on themes to support the implementation of the ICT Digital Transformation Strategy to take UHI Perth, its staff and our stakeholders through a journey of digital confidence and competence that inspires and stimulates future thinking and innovation.

The themes are:

- Culture
- Service
- Sustainability
- Communication and Collaboration

Culture

By adopting a continual service improvement register and training to our staff, UHI Perth is embracing an opportunity to map out where we are, where we want to be, how we will get there and prioritise our lean improvement activities and their impact. A resource was allocated in 2025 to co-ordinate continual improvement across UHI Perth. However, this post was removed as it was not core business as part of our FRP.

We ensure that we offer equality of access, allowing our staff and students to thrive in a digitally enabled environment. All staff and students have access to a digital device on campus.

Service

A programme of works has commenced to ensure that ICT services and facilities are designed to support our stakeholders by being accessible, secure, and sustainable. An infrastructure review has been conducted, and a new teaching room standard has been agreed with internal stakeholders for the duration of the ICT Strategy. This standard will enable our academics to dynamically deliver the curriculum in high-quality, flexible, and innovative learning and teaching environments.

Over 60% of teaching spaces have been upgraded to this agreed standard. Progression has been paused due to financial challenges in achieving a balanced budget. The £2.9m Digital Poverty Support Fund from the Scottish Government to the College sector ended in 2023/24. This was provided to address digital access, equipment and skills which is seen as essential for

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students.

Windows 10 devices have been removed from our estate to ensure that we remain secure and compliant.

Sustainability

Through effective collaboration throughout the procurement cycle, our suppliers are all committed to delivering benefits through improved value for money and improved goods and services.

Energy management practices are implemented throughout our digital infrastructure. We employ energy-efficient hardware that consumes less power and generates less heat. Additionally, we have conducted a server consolidation exercise, resulting in the removal of all servers from the site, which contributes to our business continuity plan taking a cloud first approach to secure data storage.

Communication and Collaboration

This year we have maximized the use of Office 365 tools to enhance seamless communication and collaboration across our organisation into MS Teams. A key enabler of our digital transformation strategy has been achieved by providing a unified, cloud-based communication platform that integrates voice calling, video conferencing, chat, and collaboration tools, allowing us to replace legacy phone systems and foster seamless teamwork in a hybrid work environment. This also contributes to our business continuity planning.

These tools enable our staff to work smarter by leveraging innovative, flexible, secure and accessible platforms. We have established a SharePoint site to facilitate effective centralisation communication with our staff base.

While digital technologies have significantly enhanced our communication and collaboration capabilities, they also introduce risks to UHI Perth. These include potential disruptions to network provision and sophisticated cyber threats, particularly from threat actors leveraging AI (Artificial Intelligence) for automation. These high-risk threats are strategically significant as they impact the delivery of our core purpose of learning and teaching and the student experience.

Additionally, sector funding challenges have been identified as potential major disruptors to our replacement cycles creating a tiered classroom provision and learning environment, which inhibits academic confidence to embrace the efficiencies of timetabling adjustments that would allow us to maximise our learning spaces.

Equality & Diversity

Equality and Diversity Vision

At UHI Perth we have a passion for achieving more and a passion to become the most inclusive college in Scotland.

UHI Perth is currently working towards meeting the following general duties:

- Eliminating discrimination and other unlawful conduct

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- Advancing equality of opportunity
- Fostering good relations.

UHI Perth's organisational equality outcomes 2021-2025 were:

- More learners than before are disclosing they are Care Experienced. These learners tend to have additional barriers which negatively impacts attainment scores compared to their peers. We will work with the learners and other agencies to deliver interventions and support to narrow the attainment gap.
- There is an increase in learners disclosing mental ill health. These learners tend to have additional barriers impacting their attainment score compared to their peers. We will work with the learners and other agencies to deliver interventions and support to narrow the attainment gap.
- We recognise that there are gender imbalances across some areas of our curriculum. We will take active steps to promote accessibility of these programmes and challenge gender stereotyping.
- We are committed to being an anti-racist organisation and will seek to eliminate racism in all its forms throughout UHI Perth.
- UHI Perth has a declining proportion of staff disclosing a disability in comparison with the local population. We will look to ensure that our policies, processes and practices are supportive of recruiting and retaining disabled staff. We will focus on hidden disabilities and wellbeing at work.

Equality Reporting

We continue our journey of ensuring the student and staff experience at UHI Perth is excellent. We continue to mainstream equality and diversity into all aspects of our operations and in doing so provide a learning and working environment which is founded on the key principles of fairness, opportunities and respect for everyone.

Central to mainstreaming has been the gathering and consideration of further relevant data. This has involved assessing existing available evidence and considering what other evidence may be available to help us make progress in further meeting the general equality duties.

Reporting on this work continues to demonstrate to our staff, students and other stakeholders that we are taking steps to further mainstream equality across the organisation and the progress that has been made.

UHI Perth has complied with its numerous statutory reporting requirements for the year ended 31 July 2025.

UHI Perth published its Pay Gap Report covering Disability, Gender and Ethnicity in March 2025 and our Mainstreaming Equality, Equality Outcomes and Workforce and Student Profiles 2025 in April 2025 (available on our website). Our Mainstreaming report highlights our commitment to

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National Equality Outcomes and we have so far adopted 8, we are reviewing 7 and are monitoring 2. Further details are available in the main report.

We also published our Gender Equality Plan in September 2024 to meet European funded research requirements and participated in the production of the UHI British Sign Language Plan 2024-2030

Fair Work Statement

Introduction

UHI Perth is committed to embedding the principles of Fair Work First across all aspects of our employment practices. We will achieve this by continuously reviewing and improving the way we work and ensuring our policies reflect our commitment to the principles of Fair Work First. We recognise that Fair Work is essential to creating a productive, inclusive, and sustainable working environment that benefits staff, students, and the wider community.

This statement confirms our commitment to ensuring fair working practices are in place in support of 'Fair Work First'.

Fair Work First is the Scottish Government's flagship policy for driving high quality and fair work across the labour market in Scotland by applying fair work criteria to grants, other funding and contracts being awarded by and across the public sector, where it is relevant to do so.

Through this approach the Scottish Government is asking employers to adopt fair working practices, specifically:

- Payment of at least the real Living Wage to staff including apprentices.
- Provision of appropriate channels for effective workers' voice such as trade union recognition.
- Investment in workforce development.
- No inappropriate use of zero hours contracts.
- Action to tackle the gender pay gap and create a more diverse and inclusive workplace.
- Offering flexible and family-friendly working practices for all workers from day one of employment.
- Opposing the use of fire and re-hire practices.

We are working towards advancing the Fair Work First Criteria above. Our aim is to deliver good quality and fair work through continuous improvement.

Payment of the Real Living Wage

UHI Perth pays at least the Real Living Wage to all staff and ensures third parties contracted through UHI Perth procurement also meet the real living wage requirements

Appropriate channels for effective voice

- We recognise two trade unions EIS-FELA (Academic staff) and UNISON (professional services staff), meeting a minimum of 4 times per year to engage in constructive dialogue as well as holding a separate meeting each year to review the Staff Governance Standard.

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- We provide multiple channels for staff engagement, including through our regular Perth Staff Group meeting, email communication channels, suggestion boxes and an open-door policy with senior leadership.
- We run an annual stress survey and completed a staff survey in 2025.
- During 2024/25 we also conducted 360° reviews for management and senior managers allowing feedback from different levels of staff to give a rounded view.
- We hold at least two all staff 'conferences' which allows for updates to all staff and opportunities for engagement with managers and Senior Leadership, which promotes a culture of openness and transparency
- Managers attend the Student Voice meeting to directly hear concerns from student voice representatives to help improve the services we deliver.

Investment in workforce development

Despite ongoing financial challenges across the sector, UHI Perth remains committed to investing in the professional growth of its staff. We continue to offer a range of development opportunities, including training and upskilling to ensure that our workforce remains skilled, resilient, and supported:

- UHI Perth encourages staff to access learning and development opportunities.
- Training requirements are identified during annual professional reviews and by individual development aspirations.
- Staff can request funding to complete courses relevant to their roles through our staff development fund. This ranges from specific health and safety training such as first aid through to professional updates.
- Staff are also able to request funding for academic programmes of study through the UHI Staff Development Fund.
- We support 10 members of academic staff each year to complete their Teaching Qualification in Further Education.
- We are currently supporting six members of staff to complete academic programmes of study.
- We support the young workforce through work and study placements and paid student internships.
- We encourage, support and provide opportunities to undertake formal and informal training as well as e-learning.
- We invest in staff wellbeing with 12 members of staff being nominated first aiders and we trained an additional 29 members of staff as Mental Health First Aiders during 2024/25.
- We have an active campus coordinator, part funded by Sports Scotland who organises events for staff and students, and we offer several informal initiatives to support staff engagement including staff climbing on our climbing wall, walking club, pickleball and a staff BBQ.

No inappropriate use of zero hours contracts

The majority of our staff are employed on standard salaried employment contracts although we do have a small number of zero-hour contracts which are used for additional or specific programme delivery. These are reviewed on a regular basis and UHI Perth has a process in place of permanising average hours worked after a specific time period which ensures we maintain fair and secure employment wherever possible.

Action to tackle the gender pay gap and create a more diverse and inclusive workplace.

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- Mental and financial health and wellbeing is an important focus for UHI Perth, and we have put in place a range of initiatives to support employees including free access to an employee assistance programme.
- We monitor our gender, disability and ethnicity pay gap each year along with reviewing intersectionality, looking at what areas we can influence.
- Our mean gender pay gap has reduced to 8.6% when compared to the previous year and is lower than the local pay gap data for Perth and Kinross (12.6%).
- We moved from being a disability committed employer to a disability confident employer during 2024/25 and put in place reasonable adjustment passports to support staff to be able to enter and be retained within the workforce.

Flexible and family friendly working practices for all workers from day one of employment

- We operate a flexible hybrid working model
- We have a Flexible Working Policy in place which offers options such as part time working, compressed hours, job share etc.
- We have a suite of family friendly policies to support our employees, and these policies are designed to adapt to the diverse and evolving needs of our workforce, promoting work-life balance and inclusivity.

Oppose the use of fire and rehire practices

We do not engage in fire and rehire practices and are committed to fair and transparent change management processes.

Workforce Engagement

We have commenced discussions with our recognised trade unions and staff representatives on fair work. We value the input of our workforce in shaping fair and progressive employment policies.

Monitoring and Review

We review our Fair Work practices annually and our Fair Work Statement is publicly available on our website and updated regularly to reflect ongoing improvements.

Conclusion

Fair Work is central to our mission at UHI Perth. We will continue to work collaboratively with staff, students, and stakeholders to ensure our workplace remains fair, inclusive, and empowering for all.

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Non-Financial Issues

Reputation

UHI Perth has a good reputation locally, nationally and internationally. Maintaining a quality brand is essential for the College's success in attracting students and developing and maintaining external relationships.

UHI Perth has invested significantly in developing its reputation nationally with a particular focus on influencing policy and internationally by delivering quality programmes and by broadening the reach and strength of international partnerships.

Stakeholder Relationships

In line with other colleges and universities, UHI Perth has many stakeholders.

UHI Perth actively engages with Scottish Government ministers, senior civil servants and the SFC both independently and through the UHI as Regional Strategic Body and Colleges Scotland to update progress on delivery against key national priorities as well as influencing future policy. This includes within policy areas of Skills Alignment Strategy, Green Industrial Strategy, Economy, People and Skills May 2025, Scotland's Labour Market Drivers October 2024, the Learner Journey Review and Developing the Young Workforce.

To ensure our curriculum continues to meet current and future regional and national industry needs, we will have continued engagement with Skills Development Scotland and industry bodies across our curriculum teams and directly into businesses. UHI Perth's Foundation, Modern and Graduate apprenticeship delivery relies on these strong industry relationships to ensure skills demands are met and delivery compliance is achieved. UHI Perth has had strong performance in these areas historically and up to and including 31 July 2025.

UHI Perth also has strategic partnerships for our non-managed Modern Apprenticeship and stand-alone SVQ qualifications and contracts and works with SNIPEF, SECTT, CITB, Omexom and SSE to ensure their skills requirements are met so that these organisations continue to win contracts across Scotland.

UHI Perth's relationship with Perth and Kinross Council and its other Tay Cities regional partners through the Tay Cities Deal HE/ FE Forum and the Tay Cities Skills Board, Perth Development Board, Perth and Kinross Community Planning Partnership and the Strategic Education Group has been crucial to ensuring the College continues to be well regarded for its influence in economic and social transformation.

This includes the role UHI Perth plays in ensuring there are suitable progression routes for all learners from the Senior Phase pathways through to vocational, degree and postgraduate provision.

UHI Perth's role as one of the largest partners within UHI ensures that influence impacts the full Highland's region with a range of networked provision delivered by UHI Perth or hosted on the Perth campus.

In partnership with our staff, trade unions and the Highlands and Islands Student Association (HISA), a greater focus on the student experience remains a high priority for UHI Perth. We are

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committed to investing in the Student Experience which is a core part of our forward strategy, and we are delighted to see the focus continues to show results.

Additional areas of focus are:

- A greater variety of student support and social groups.
- An ICT strategy that supports the aspiration to be a student-centred, digitally enabled college.

Alongside this, continued discussions have taken place with Trade Unions to ensure the health and safety and wellbeing of all staff groups including reviewing ourselves with our Trade Union colleagues against the Staff Governance Standard.

Human Rights

The College, as part of the University of the Highlands and Islands partnership, has published a Slavery and Human Trafficking Policy Statement as required by the Modern Slavery Act 2015. This statement is reviewed annually and the actions from it implemented in all purchasing activity by requiring all new suppliers to confirm that they have “effective procedures in place to comply with the Modern Slavery Act 2015” before any transaction can take place.

Details of our requirements have been incorporated into the College’s Standard Terms and Conditions upon which all purchase orders and local contracts are based. These requirements are also included in the many frameworks we utilise, awarded by centres of expertise such as Advance Procurement for Universities and Colleges (APUC), Scottish Procurement and Crown Commercial Service (CCS).

Where modern slavery, human rights or workforce matters are identified as a potential risk in contracting for goods and services, relevant and proportionate requirements are included within our specification of requirements and appropriately probing questions are asked of bidders to demonstrate compliance with applicable laws, regulations and policies such as International Labour Organisation standards.

As a Scottish Living Wage Foundation accredited employer, we also endeavour that all on-site contractors are paid at least the Real Living Wage, as set annually by the Living Wage Foundation. This also applies to our catering contract.

There have been no complaints of any breaches of human rights within our supply chain.

Anti-Corruption and Bribery

For regulated procurement, all suppliers are required to confirm that they are “in full compliance with and support the Bribery Act 2010” before any transaction can take place. Details of our anti-corruption requirements are stated in UHI Perth’s Standard Terms and Conditions upon which all purchase orders and local contracts are based.

These requirements are also included in the many frameworks we utilise, awarded by centres of expertise such as APUC, Scottish Procurement and CCS.

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UHI Perth has a Fraud Prevention Policy and Response Plan which is included in our review plan and clearly details the requirements for staff members to adhere to as well as advising on how to report suspected breaches.

Our procurement and financial transaction processes ensure a clear separation of duties between requestors, budget approvers and payees to mitigate against potential risk or fraudulent activity. These processes are being continually reviewed to ensure they are fit for purpose and achieving their aims.

We acknowledge the weaknesses arising from our use of the purchase order system and have already implemented improvements to the process. Despite these weaknesses the finance processes still require approval limits and segregation of duties which mitigate the risks as described above. We are currently implementing further changes to our purchase order process.

There have been no complaints of any breaches of corruption or bribery within our supply chain.

Disclosure of Information to Auditor

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which UHI Perth's auditor is unaware; and each member has taken all the steps that they ought to have taken to be aware of any relevant audit information and to establish that UHI Perth's auditor is aware of the information.

Approved by order of the members of the Board of Management on **18 December 2025**
and signed on its behalf by:

Catherine Etri
Interim Principal & Chief Executive

Alistair Wylie
Interim Chair

Accountability Report

Parliamentary Accountability Report

The Accountability Report has three sections and is signed by the interim Chair and the interim Principal:

1. The Remuneration and Staff report
2. The Corporate Governance report
3. The Parliamentary Accountability report.

Remuneration and Staff Report

Introduction

UHI is required to prepare and publish within its financial statements an annual Remuneration Report under the 2024/25 Government Financial Reporting Model (FReM) issued by HM Treasury.

The report sets out the remuneration and accrued pension benefits of the Senior Leadership Team members of UHI Perth.

Information on the number of UHI Perth employees (including Senior Leadership Team members) whose total actual remuneration was £60,000 or more is set out in Note 7 of the financial statements. The information is disclosed in salary bandings of £10,000 above £60,000. The following report has been prepared in accordance with the regulations.

All information disclosed in the tables in this report has been audited by UHI Perth's external auditor and all other sections of the Remuneration Report are reviewed to ensure they are consistent with the financial statements.

Remuneration arrangements (This information has been subject to audit)

Senior Leadership Team

The Remuneration Committee makes recommendations to the Board of Management on the service arrangements and remuneration of the Principal and determines the service arrangements and remuneration of the other senior post holders.

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Remuneration of the Senior Leadership Team is as set out in Note 8 to the financial statements. In addition, the following table provides details of the remuneration and pension interests of senior management.

Name	Role	12 months ended 31 July 2025			
		Salary £000	Pension Benefit £000	Other Benefit £000	Total £000
Margaret Cook	Principal	110-115	10-15	60-65	185-190
Lorenz Cairns	Depute Principal - Academic	105-110	45-50	-	155-160
Catherine Etri	Interim Principal	20-25	5-10	-	25-30
Lynn Murray	Depute Principal – Operations	90-95	140-145	-	230-235
12 months ended 31 July 2024					
Margaret Cook	Principal	115-120	5-10	-	125-130
Lorenz Cairns	Depute Principal	90-95	0-5	-	90-95
Catherine Etri	Vice Principal – Academic	80-85	0-5	45-50	125-130
Veronica Lynch	Vice Principal – External Engagement	80-85	45-50	265-270	350-355
Iain Wishart	Vice Principal – Operations	55-60	55-60	-	100-115
Lynn Murray	Depute Principal - Operations	40-45	10-15	-	50-55
Resignations and Joiners in the year					
1. Margaret Cook resigned on 14 May 2025. The final salary payment was processed as outlined in the table above. Additionally, a contractual obligation for PILON of £62,500 was made and recorded under the other benefit.					
2. Lorenz Cairns resigned on 31 July 2025.					
3. Catherine Etri left the business due to business efficiency on 31 July 2024. Catherine rejoined UHI Perth on 29 May 2025, as Interim Principal, following appropriate approvals being gained.					

Senior Leadership Team members listed above are enrolled in either the Scottish Teachers Superannuation Scheme (STSS) or Local Government Pension Scheme (LGPS) pension schemes. These are both defined benefit schemes.

The pension amounts in the table above do not represent the pension contributions paid for the staff listed. The actual amount of pension contribution paid for senior post holders is shown in Note 8 of these financial statements.

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Compensation for loss of office (This information has been subject to audit)

Thirty-six employees left under a voluntary severance scheme during the year. In total they received compensation payments of £651,042.53. No employee left under compulsory redundancy terms. In the year, additional payments totalling £64,068.17 were made to the 50 employees who left in the previous financial year in relation to recalculated voluntary severance payments following agreement of pay awards. The total voluntary severance payments recorded in the year are £715,110.70.

The table below summarises the exit packages by cost band for those who left in the year to 31 July 2025.

Exit package cost band	Number of voluntary redundancies	Number of other departures agreed (including any compulsory redundancies)	Total number of exit packages by cost band
<£10,000	7	-	7
£10,000 to £25,000	22	-	22
£25,000 to £50,000	7	-	7
£50,000 to £100,000	-	-	-
Total number of exit packages	36	-	36
Total cost (£'000)	651	-	651

Pay Multiples

The College is required by the FrEM to disclose the relationships between the remuneration of the highest paid official and the 25th, 50th and 75th percentile of remuneration of their workforce. The below figures are for UHI Perth only and not AST.

	% change	2024/25 £	2023/24 £
Mid-Point of Banded Remuneration of Highest Paid Official	-4.0%	112,500	117,500
25th percentile pay ratio	7.2%	30,263	28,228
25th percentile pay multiple		3.7	4.16
50th percentile pay ratio	6.2%	43,637	41,096
50th percentile pay multiple		2.58	2.86
75th percentile pay ratio	0.6%	43,637	43,357
75th percentile pay multiple		2.6	2.7

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Accrued pension benefits

Pension benefits for Employees are provided through the Scottish Teacher's Superannuation Scheme (STSS), a defined benefit scheme, which is externally funded and contracted out of State Earnings-Related Pension Scheme and the Local Government Pension Scheme (LGPS), Tayside Pension Fund.

Prior to 1 April 2015 both STSS and LGPS were final salary pension schemes. This meant that pension benefits were based on the final year's pay and the number of years that the person had been a member of the scheme. From 1 April 2015 both pension schemes became Career Average Revalued Earnings (CARE) schemes.

A CARE scheme means that pension benefits are now built up using an accrual rate of 1/57th of annual pensionable pay for STSS and 1/49th of annual pensionable pay for LGPS. Benefits built up prior to April 2015 will be protected and continue to be calculated on final pensionable pay.

The scheme's normal retirement age is now linked to the members own State Pension Age.

Contribution rates are set annually for all employees and are based on salary bandings. There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004.

Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time.

The value of the accrued pension benefits has been calculated based on the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation. The pension figures shown relate to the benefits that the person has accrued within the relevant scheme and may not be reflective of their total Local Government service or current appointment.

In considering the accrued pension benefits figures the following contextual information should be considered:

- i. figures for pension and lump sum are illustrative only considering the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement.
- ii. accrued benefits figures are reflective of the pension contributions that both the employer and the scheme member have made over a period.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

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Senior Leadership Team Pension (This information has been subject to audit).

Pension benefits are provided to Senior Leadership Team on the same basis as all other staff. The accrued pension benefits for Senior Leadership Team members are set out in the table below, together with the pension contributions made by UHI Perth:

Name	At 31 July 2025		1 August 2024 to 31 July 2025		At 31 July 2025	At 31 July 2024	
	Accrued pension at pension age	Accrued lump sum at pension age	Real increase in pension	Real increase in lump sum	CETV	Restated CETV*	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Margaret Cook	20-25	-	0-2.5	-	332	304	28
Lorenz Cairns	35-40	95-100	2.5-5	2.5-5	832	802	30
Catherine Etri	0-5	-	0-2.5	-	10	-	10
Lynn Murray	5-10	-	5-7.5	-	133	13	120

The 31 July 2024 CETV values for M Cook and L Cairns have been updated to reflect the inclusion of the CARE element of the pension scheme transfer value.

The pension benefits set out in the table above reflect the change in the real value of pension for each individual (less contributions paid by the individual). These pension benefits include additional pension accrued within the year, and any changes to the value of pension earned in all previous years due to salary increases.

Gender Split for UHI Perth Board of Management and Senior Leadership Team

The table below sets out the gender split of the Board of Management of UHI Perth based on all members who sat on the board during the year ended 31 July 2025.

Margaret Cook (Principal of UHI Perth) and then her replacement Catherine Etri (Interim Principal of UHI Perth) are the only members of the Senior Leadership Team who also sit on the Board and are included in the Gender Split of both the Senior Leadership Team and Staff Board Members.

The noticeable variance around Staff Board Members is because there were two different Principals in post during the year (both of whom were female thereby changing it from 80:20 to 66:33).

Non-Executive Board Members are comprised of Independent and Student members and saw an overall increase in female members bringing the gender split to 50:50.

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Board of Management				Senior Leadership Team	
Non-Executive Board Members		Staff Board Members			
Male	Female	Male	Female	Male	Female
50%	50%	66%	33%	25%	75%

Staff Numbers and Costs (This information has been subject to audit)

The table below sets out staff numbers and costs for UHI Perth. The figures below do not include staff costs for the subsidiary, Air Service Training (Engineering) Limited which had on average 24 FTE on permanent contracts and 1 FTE on temporary contracts until it went into administration on 10 April 2025. A full breakdown of staff numbers is set out in Note 6 of these accounts.

	Year ended 31 July 2025			Year ended 31 July 2024
	Permanent Staff	Other staff	Total	Total
Wages & Salaries (£'000)	14,488	994	15,482	16,120
Social Security Costs (£'000)	1,537	105	1,642	1,449
Other Pension Costs (£'000)	3,162	217	3,379	3,051
Total staff costs (£'000)	19,187	1,316	20,503	20,621
Average number of FTE	277	19	296	343

Based on headcount, UHI Perth employed 228 females (56%) and 179 males (44%) as at 31 July 2025.

Sickness Absence Rates

The following table provides the total sick days lost, average sick days per head and percentage of working time lost for the years ended 31 July 2025 and 2024:

	Year ended 31 July 2025			Year ended 31 July 2024		
	Total sick days	Average sick days per head	% working time lost	Total sick days	Average sick days per head	% working time lost
Total	2,706	6.5	3.5%	2,963	6.2	3%

Our sickness data has increased slightly when compared to the previous year mostly within the management staff group. However, our average sick days per head is less than the average of 9.4 days reported in the past year by the CIPD. We also saw two deaths in service during the 2024/25 financial year following periods of illness.

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Policies in relation to disabled persons

UHI Perth's Equality and Diversity Policy sets the principles and values of equality and diversity for UHI Perth. These are implemented through UHI Perth's Equality Outcomes and associated action plan which are aligned to the UHI Perth Regional Outcome Agreement as well as the policies and procedures that guide the way in which people behave. Progress against the Equality Outcomes is reported on the UHI Perth website:

<https://www.perth.uhi.ac.uk/about-us/policies-regulations-and-guidelines/equality-diversity-and-inclusion/>

The policy is also implemented through several policies and procedures that concern the experience of staff and students. This includes:

- Mainstreaming Equality, Equality Outcomes, and Workforce and Students Profile 2025

We continued our commitment to the Disability Confident Scheme and in July 2025 achieved Disability Confident Employer status. We continue to embed our reasonable adjustment passport which is utilised by staff who have short- or long-term reasonable adjustment needs, and provided training to managers across UHI Perth on how to utilise the scheme and continue to support staff who wish to make an Access to Work scheme application. We implemented a centralised reasonable adjustment fund managed by HR to ensure fair access to the funds.

We published our pay gap report as required which covers gender, disability and ethnicity pay gaps as well as our equal pay statement and mainstreaming report.

Recruitment and Selection

UHI Perth strives to be an excellent employer by adopting a principle of diversity and inclusivity to attract the highest calibre of staff in pursuance of UHI Perth's overall Vision and Values.

This principle includes a positive approach towards disability and ensuring that people with disabilities receive the necessary support through the recruitment and selection process. This includes the provision of any additional support required by candidates to ensure fair and equal participation throughout the process.

Applicants are also asked during the recruitment process if they require UHI Perth to make any reasonable adjustments to support them in the recruitment process giving due regard to their aptitudes and abilities.

UHI Perth also commits to ensuring that vacancies are advertised in a wide variety of digital and other outlets and are worded in such a way as to attract candidates from as wide a cross section of society as possible. These actions continue to support our status as a Disability Confident Employer.

Professional Development

All employees are encouraged to participate in development activity to develop their qualifications and skills, although UHI Perth has had to reduce the budget due to financial constraints.

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Employees are also expected to participate in UHI Perth's Professional Review Scheme and undertake any staff development and training necessary for the full performance of their duties. UHI Perth also provides financial support for several employees to undertake qualifications relevant to their roles.

UHI Perth continues to aim to meet the requirement to ensure a minimum entitlement of six days (pro rata) continuing professional development (CPD) to all employees. This is to be provided in a manner which is meaningful to all staff and ensures CPD adds value to the individual, team and UHI Perth and we exceeded this commitment in the current year.

Redeployment and Occupational Health

UHI Perth is committed to ensuring that if employees become unable to undertake their role during their employment that we look at redeployment and training opportunities to retain their services within UHI Perth. A redeployment policy is being discussed with our recognised Trade Unions and will be in place in the next financial year.

Employees make regular use of the Occupational Health service provided by UHI Perth through management referrals to allow UHI Perth, and employees, to make informed decisions about any reasonable adjustments that UHI Perth may be able to support. Where appropriate and requested by the employee, we have engaged our Occupational Health Service to support members of staff to leave through ill-health retirement.

UHI Perth has also worked with Access to Work to ensure adaptive equipment and training are provided to support employees who have a disability as defined by the Equality Act 2010. This scheme is actively utilised to support staff to remain at work.

UHI Perth has a full employee assistance programme (EAP), which offers support 24 hours a day. This allows staff to access a confidential Counselling Service which offers the opportunity to access up to six free counselling sessions in a 12-month period. If required, additional counselling sessions are then agreed by UHI Perth along with a wider range of support resources.

Other employee matters

Equal Pay

UHI Perth reaffirms the principle that all members of staff receive equal pay for the same or broadly similar work, for work rated as equivalent and for work of equal value.

UHI Perth will ensure that all pay practice applies equally to all staff and is best practice. UHI Perth will communicate pay practice to help members of staff develop understanding of how pay is determined; undertake equal pay audits in accordance with any legal obligations; provide guidance and support to managers where they make decisions on pay and benefits for staff; and work within the National Pay Bargaining Framework for colleges in Scotland including implementation of any agreed job evaluation scheme.

The work of the National Job Evaluation Scheme for Support Staff within Colleges is still underway, and no outcomes have yet been published. Until decisions and outcomes are known, UHI Perth continues to use its internal job evaluation scheme.

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Work Life Balance

UHI Perth recognises that members of staff have priorities outside of their employment and that it is important for the wellbeing of all staff that there is balance between work and home life. UHI Perth also recognises that members of staff will have differing requirements at different points in their working life and the range of Family Friendly/Flexible Working policies and procedures aims to ensure that an appropriate balance between work and home life can be achieved throughout a member of staff's employment at UHI Perth.

UHI Perth continued to use a hybrid working model for the 2024/25 academic year. This remains in place and is under review with a view to adopting a longer-term policy. There are also staff who have agreed flexible working arrangements in place and UHI Perth continues to support the statutory requirement of allowing formal flexible working requests from day one of employment and allowing staff to submit two requests each year.

Where staff work from home, they are required to undertake Home Working Assessment and Display Screen Assessments to ensure that home working is undertaken in a safe environment.

Conduct

UHI Perth promotes and lives up to the principles within its Equality and Diversity Policy of: treating people with respect; encouraging, maintaining and promoting good relations; applying policies, procedures and processes fairly and with due regard to every individual; welcoming the differences between each person and valuing the contribution that they make to the cultural and social wellbeing of UHI Perth's working and learning environment.

Exit

Members of staff will be treated fairly in circumstances where there is a reduction in the need for certain types of roles which saw UHI Perth continue to utilise a voluntary severance scheme during 2024/25 and in the application of disciplinary procedures where dismissal may be an outcome.

Health and Safety

The Board of Management of UHI Perth attaches the greatest importance to safeguarding the health, safety and welfare of staff, students, visitors and others who use the premises, and regards the promotion of health and safety measures as a mutual obligation for management and employees at all levels.

It is the commitment of UHI Perth to act within the requirements of the Health and Safety at Work Act 1974 and subsequent legislation, and to ensure that the health, safety and welfare of all staff, students, visitors and others who may be affected by our undertakings is safeguarded, so far as is reasonably practicable.

To meet these criteria, UHI Perth will:

- Regard legal compliance as the lowest acceptable standard of management with regard to health and safety.
- Identify hazards, assess risks and manage those risks.

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- Provide appropriate information, instruction, training and supervision.
- Provide and maintain equipment and a working environment that are reasonably practicable, without risks to health and safety.
- Consult with employee representatives on health and safety matters, and
- Provide adequate funding and resources to meet policy needs.

To effectively manage Health and Safety, UHI Perth's Board of Management devolves policies and procedures through the Principal and Chief Executive to the Senior Leadership Team and wider Perth Leadership Group and their managers and staff, all of whom are responsible for managing Health and Safety.

UHI Perth requires that all staff, students and visitors co-operated in regarding safe working as a prime objective, by working within established procedures.

Overall responsibility for the practical implementation of this policy lies with UHI Perth's Principal and Chief Executive.

UHI Perth's duty to consult on Health and Safety matters with trade unions and staff is structured through a Health and Safety Committee. The Committee meetings are scheduled four times over the curriculum year. These meetings were chaired by the Director of Estates or the Director of HR and Organisational Development in their absence and comprised of College Management, the Health, Safety and Wellbeing Advisor, representatives of each recognised union and staff and student representatives.

Three sub-groups of this committee were in place for the period ending 31 July 2025, these being Pandemic response group (this group is paused unless required), Stress Management, and the Health and Safety Policies and Procedure Review Group. The Staff Health and Wellbeing Group was merged into the Perth Staff Group, and the Student Health and Wellbeing Group was disbanded so neither met during 2024/25.

The Board of Management removed the requirement for a Board champion on Health and Safety to attend the Health and Safety Committee as it was decided that Health and Safety would be monitored via the Audit Committee, who would highlight any issues to the Board if required.

Typical Health and Safety performance topics being discussed would include accident trends, training compliance, inspection reports and issues raised over the period covered.

The Health, Safety and Wellbeing Advisor ensures there are regular departmental audits with associated actions plans and summaries of these are brought for review to the Health and Safety Committee. There were 16 areas audited during 2024/25.

Our priority is, and continues to be, to provide and maintain a safe work environment. We have provided training to increase the number of competent risk assessors, given direction and support for undertaking or refreshing our mandatory related online training and provided some of our management with accredited Health and Safety qualifications.

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During 2024/25 the Health, Safety and Wellbeing Advisor conducted 31 in-house face-to-face training with a variety of employee groups. At 31 July 2025 there were nine members of the Perth Leadership Group who had completed the Institute of Occupational Safety and Health (IOSH) Managing Safety or equivalent, with one member of the Senior Leadership Team having completed the IOSH Leading Safely. We have trained an additional 13 General Risk Assessors, three Hazardous Substances Assessors (COSHH), one Manual Handling Assessor as well as providing specific training to certain groups where a need has been identified. Five managers attended Managing Stress for Managers, and nine staff members were trained in Emergency Evaluation Evac+Chair. We maintain 12 nominated first aiders and have an additional 11 employees within our Academy of Sports and Wellbeing as Emergency First Aiders.

An additional 29 employees have completed the Scottish Mental Health First Aid training which teaches people how to identify, understand and help someone who may be experiencing a mental health issue.

Trade Unions

The College recognises two Trade Unions, EIS-FELA and UNISON. The relationships with each are governed by the appropriate Recognition and Procedure Agreements augmented with regular informal discussions with senior staff including the Director of HR & Organisational Development.

We are an active member of the Employer’s Association to support National Bargaining dialogue, discussion and agreement. All of this highlights our commitment to partnership working and a no surprises relationship based on openness and transparency from management and the recognised Trade Unions.

Trade union officials

Number of employees who were relevant union officials during the relevant period	Full time equivalent employee number
	6

Percentage of time spent on facility time

Percentage	Number of employees
0%	0
1-50%	6
51-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time:	13,979
Total pay bill:	20,313,984
Percentage of the total pay bill spent on facility time:	0.07%

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Paid trade union activities

Time spent on trade union activities as a percentage of total paid facility time hours:

5%

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- **Employment Issues**

UHI Perth has published its commitment to equal pay within these financial statements which reaffirms the principle that all members of staff receive equal pay for the same or broadly similar work, for work rated as equivalent and for work of equal value. To achieve this, UHI Perth commits to:

- Ensure that all pay practice applies equally to all staff and is best practice.
- Communicate pay practice to help members of staff develop understanding of how pay is determined.
- Undertake equal pay audits in accordance with any legal obligations.
- Provide guidance and support to managers where they make decisions on pay and benefits for staff, and
- Work within the National Bargaining Framework for colleges in Scotland including implementation of any agreed job evaluation scheme.

UHI Perth also has a commitment to equality and diversity as demonstrated in the principles adopted by it which are:

- Treating people with respect.
- Encouraging, maintaining and promoting good relations.
- Applying policies, procedures and processes fairly and with due regard to every individual.
- Welcoming the differences between each person and valuing the contribution that they make to the cultural and social wellbeing of UHI Perth's working and learning environment, and
- UHI Perth also has an Equality, Diversity and Inclusivity Committee which monitors progress on equality matters and is a forum for consultation about matters which affect staff and students.

The majority of UHI Perth's staff are female (56%) with men representing 44% of the workforce.

UHI Perth has a Professional Review process which includes a Career Long Professional Learning (CLPL) element to support the development of both academic and professional services staff, and an allocated CPD budget to support other professional development activities.

For academic staff, UHI Perth continues to require staff to join the General Teaching Council for Scotland (GTCS) and is ensuring that staff are made aware of their timeline depending on start date in the sector and qualification status. All forms of GTCS registration requires professional dialogue discussions between staff members and their line managers to be undertaken in a coaching style and managers of academic staff who had not previously undertaken this training were given this opportunity.

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UHI has a robust framework of policies and procedures which support the employment lifecycle. These include recruitment, induction, being family friendly, encouraging flexible working, discipline and grievance issues, promoting health and wellbeing, absence, capability and exit.

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Corporate Governance Report

Overview

The purpose of the Corporate Governance report is to explain the composition and organisation of the institution's governance structures and how they support the achievement of institutional objectives.

The Corporate Governance report includes:

- a Directors' Report
- a Statement of Responsibilities of the Members of the Board of Management
- a Governance Statement.

Directors Report

The Board of Management

The members who served on the Board of Management during the year and up to the date of signing the financial statements were as follows:

Name	Date of Appointment/ (resignation)	Status	Committees Served from 01 Aug 2024 – Date of signing*
Graham Watson	7 August 2020 Appointed Interim Chair 01 October 2022 Appointed Chair 12 April 2023 Resigned 03 April 2025	Independent Member	Air Service Training (chair until resignation) Finance & Resources (chair until resignation) Chairs (chair until resignation) Remuneration (until resignation)
Alistair Wylie	12 April 2023 Appointed Interim Chair 09 April 2025	Independent Member	Audit (until 09 April 2025) Finance & Resources (from 09 April 2025) Learner Experience (until 16 April 2025) Chairs (chair from 16 April 2025) Remuneration (from 16 April 2025)
Dr Margaret Cook	1 August 2017 Resigned 13 May 2025	Principal and Chief Executive	Learner Experience (chair until 16 April 2025) Air Service Training (until 09 April 2025) Chairs (until resignation) Strategic Development (until resignation) Finance & Resources (until resignation)
Catherine Etri	29 May 2025	Interim Principal and Chief Executive	Finance & Resources (from 29 May 2025) Learner Experience (from 10 September 2025) Recovery Plan Monitoring (from 22 September 2025)

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Name	Date of Appointment/ (resignation)	Status	Committees Served from 01 Aug 2024 – Date of signing*
Mary Fraser	01 March 2024	Independent Member	Finance & Resources (until 19 August 2025) Strategic Development Audit (from 20 August 2025) Learner Experience (from 10 September 2025)
Jenny Hamilton	03 January 2022 Resigned 08 April 2025	Independent Member	Strategic Development (chair until resignation) Chairs (until resignation) Remuneration (until resignation)
Jenni Harrison	12 April 2023 Resigned 22 May 2025	Independent Member	Air Service Training (until 09 April 2025) Finance & Resources (until resignation)
Dierdre Joy	06 January 2025	Independent Member	Finance & Resources Learner Experience (from 16 April 2025) Recovery Plan Monitoring (chair from 22 September 2025)
Chris Lusk	01 March 2024	Independent Member	Finance & Resources (until 16 April 2025) Learner Experience (chair from 16 April 2025) Audit (from 16 April 2025) Chairs Remuneration (from 16 April 2025)
Debbie McIlwraith Cameron	03 January 2022	Independent Member	Air Services Training (until 09 April 2025) Audit (chair from 16 April 2025) Chairs (from 16 April 2025)
Elaine Piggot	10 October 2023 Resigned 30 September 2025	Independent Member	Finance & Resources (chair from 16 April 2025 until resignation) Strategic Development Chairs (until resignation) Remuneration (chair from 16 April 2025 until resignation)
Ian Robotham	01 March 2024	Independent Member	Air Service Training (until 09 April 2025) Audit (until 16 April 2025) Finance & Resources (from 16 April 2025; chair from 01 October 2025) Chairs (from 01 October 2025) Remuneration (chair from 30 October 2025)
Derek Waugh	01 September 2022 Resigned 11 April 2025	Independent Member	Audit (chair until resignation), Strategic Development (until resignation) Chairs (until resignation) Remuneration (chair until resignation)

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Name	Date of Appointment/ (resignation)	Status	Committees Served from 01 Aug 2024 – Date of signing*
Christopher Whatley	06 January 2025	Independent Member	Learner Experience (from 16 April 2025) Audit (from 16 April 2025) Recovery Plan Monitoring (from 22 September 2025) Chairs (from 10 November 2025)
Richard Fyfe	18 November 2024	Staff Member	Finance & Resources (to 19 August 2025) Strategic Development Audit (from 20 August 2025) Recovery Plan Monitoring (from 22 September 2025)
Patrick O'Donnell	10 November 2020	Staff Member	Learner Experience Audit (until 19 August 2025) Finance & Resources (from 20 August 2025)
Andi Garrity	01 July 2024	Student Member	Audit (until 19 August 2025) Learner Experience Strategic Development Finance & Resources (from 20 August 2025) Recovery Plan Monitoring (from 22 September 2025)
Xander McDade	01 July 2024 Resigned 30 June 2025	Student Member	Finance & Resources (until resignation) Learner Experience (until resignation) Strategic Development (until resignation)
Millie Foster	01 July 2025	Student Member	Learner Experience (from 01 July 2025) Audit (from 20 August 2025)
Ronnie Dewar	01 March 2024	Trade Union Member	Learner Experience Recovery Plan Monitoring (from 22 September 2025)
Winston Flynn	15 March 2024 Resigned 14 March 2025	Trade Union Member	Strategic Development (until resignation)
David Macluskey	25 June 2025	Independent Member	Learner Experience (from 10 September 2025) Recovery Plan Monitoring (from 22 September 2025)
Rosie Howie	10 September 2025	Independent Member	Audit (from 10 September 2025)
Laaeq Rehman	10 September 2025	Independent Member	Finance & Resources (from 10 September 2025)
John McMullen	10 September 2025	Independent Member	Audit (from 10 September 2025)
Sarah Cordwell	10 September 2025	Independent Member	Learner Experience (from 10 September 2025) Finance & Resources (from 10 September 2025)

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* following the resignation of several Board Members during April 2025, a review of membership of Board Committees was conducted resulting in several changes to Committee Membership for the remainder of 2024/25. Strategic Development Committee was also formally disbanded as a Board Committee at the Board of Management meeting on 16 April 2025, and Air Service Training (Engineering) Ltd ceased to report to the Board of Management on formally entering Administration on 10 April 2025.

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Board Member – Committee Attendance 2024/25

Name	Board	AST	Audit	Chairs	F&R	Learner Exp.	Strat Dev
Graham Watson	5/5	8/9		3/3	4/4		
Mary Fraser	6/12				3/5		3/3
Jenny Hamilton	2/5			0/3			2/3
Jenni Harrison	6/8	8/9			3/3		
Deirdre Joy	9/9				2/3	1/1	1/1
Chris Lusk	12/12		1/1	2/2	3/4	4/4	
David Macluskey	1/2						
Debbie McIlwraith-Cameron	10/12	8/9	4/5	3/4			
Elaine Piggot	12/12			4/4	5/5	3/4	2/3
Ian Robotham	11/12	8/9	4/4		1/1		
Derek Waugh	5/5		4/4	2/3			3/3
Christopher Whatley	8/9		1/1			2/4	
Alistair Wylie	11/12		4/4	4/4	2/2	2/3	
Margaret Cook	6/8	9/9		2/3	3/3	2/4	3/3
Catherine Etri	2/2				1/1		
Patrick O'Donnell	12/12		4/5			3/4	2/3
Richard Fyfe	9/10					3/3	1/1
Xander McDade	11/11				5/5	4/4	3/3
Andi Garrity	12/12		5/5			4/4	2/3
Ronnie Dewar	11/12					2/4	
Winston Flynn	1/5						1/3

It is the Board of Management's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Board of Management complies with the internal control guidance published by the Turnbull Committee and the good practice in the Guide for Board Members in the College Sector 2015 issued by Scotland's Colleges.

The Board of Management is provided with regular information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as

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health and safety and environmental issues. The Board of Management meets at least four times a year.

Full minutes of all Board and Board sub-Committee meetings, except those deemed to be confidential by the Board, are available on the College website or from the Clerk to the Board at:

UHI Perth
Crieff Road
Perth PH1 2NX

Register of Members Interest

The Clerk to the Board maintains a register of financial and personal interests of the Board members and Senior Leadership Team. The Register is available for inspection at the above address or on the College website:

<https://www.perth.uhi.ac.uk/about-us/college-management-structure/meet-the-board/register-of-interests/>

All Board members can take independent professional advice in furtherance of their duties at UHI Perth's expense and have access to an independent Clerk, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Clerk are matters for the Board as a whole.

Formal agendas, papers and reports are supplied to Board members in a timely manner, prior to meetings. Briefings are also provided on an ad hoc basis.

The Board of Management has a strong and independent non-executive element, and no individual or group dominates its decision-making process. The Board of Management considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of independent judgment.

Board members are required to self-evaluate collectively as Board and individually as Board members. The self-evaluation process includes consideration of the performance of the Chair and individual Committee Chairs and of the collective effectiveness of the Board of Management, and individual reflection on their adherence to the Nine Principles of Public Life.

There is a clear division of responsibility in that the roles of the Chair and Principal are separate.

Information Management

There were no significant data breaches during the year.

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Appointments to the Board of Management

From 1 August 2014, the authority for appointments to the Board of Management of UHI Perth resides with the University of the Highlands and Islands and must be made in accordance with Ministerial Guidance on Board Appointments.

The Board of Management ensures that a process is in place to provide appropriate induction training to new Board of Management members and new Board members are expected to undertake induction training.

Members of the Board of Management are appointed for an initial term of office not exceeding four years and may be reappointed.

Statement of Responsibilities of the Members of the Board of Management

The Board of Management are required to present audited financial statements for each financial year.

In accordance with the Further and Higher Education (Scotland) Act 1992 the Board of Management is responsible for the administration and management of the College's affairs, including ensuring an effective system of internal control, and is required to present audited financial statements for each financial year.

The Board of Management is responsible for ensuring that proper accounting records are maintained which disclose, with reasonable accuracy at any time, the financial position of the College and enable it to ensure that the financial statements are prepared in accordance with the Further and Higher Education (Scotland) Act 1992, the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education Institutions, the relevant Government Financial Reporting Model (FRoM) and other relevant accounting standards.

In addition, within the terms and conditions of a Financial Memorandum agreed between the SFC and the College's Board of Management, the Board, through its Chief Executive, the Principal, is required to prepare financial statements for each financial year which give a true and fair view of the College's state of affairs and of the surplus or deficit and cash flows for that year.

In preparing the financial statements, the Board of Management is required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare financial statements on a going concern basis, unless it is inappropriate to presume that the College will continue in operation. The interim Principal has received a letter of comfort from the Scottish Funding Council confirming that they will work with the sector and individual colleges and regions to consider ways to help manage cash flow requirements for the period of 12 months from the date of approval of our balance sheet. On this basis the Board is satisfied that the College can continue in operation for the foreseeable future and for this reason the going concern basis continues to be adopted in the preparation of the financial statements.

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- To enable this, we will work with the sector and individual colleges and regions to consider ways to help manage cash flow requirements, for the period of 12 months from the date of approval of your balance sheet.

The Board of Management has taken reasonable steps to:

- ensure that funds from the SFC, including those derived through the Regional Strategic Board, are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Funding Council and any other conditions which the Funding Council may from time to time prescribe
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources
- safeguard the assets of the College and prevent and detect fraud, and
- secure the economical, efficient and effective management of the College's resources and expenditure.

The key elements of the College's system of internal financial control, which is designed to discharge the responsibilities set out above, include the following:

- clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative areas
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets
- regular reviews of key performance indicators and business risks and quarterly reviews of financial results involving variance reporting and updates of forecast outturns
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Board of Management
- Financial Regulations, detailing financial controls and procedures, approved by the Audit Committee and the Finance & Resources Committee. In line with future improvements these need to be reviewed, and
- a professional Internal Audit team whose annual programme is approved by the Audit Committee and endorsed by the Board of Management, and whose Head provides the Board of Management with a report on internal audit activity within UHI Perth and an opinion on the adequacy and effectiveness of UHI Perth's system of internal control, including internal financial control.

Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.

Approved by order of the member of the Board of Management on 18 December 2025 and signed on its behalf by:

Catherine Etri
Interim Principal & Chief Executive

Alistair Wylie
Interim Chair

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Governance Statement

Statement of Corporate Governance and Internal Control

UHI Perth complies with all the principles of the 2016 Code of Good Governance for Scotland's Colleges, and it has complied throughout the year ended 31 July 2025.

From 1 August 2014, UHI Perth was assigned to the University of the Highlands and Islands (UHI) as its Regional Strategic Body (RSB) and the provisions of the Post-16 Education (Scotland) Act 2013 commenced for the College. As an assigned college, the Board is accountable to the RSB.

The College is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the way the College has applied the main principles of the 2016 Code of Good Governance for Scotland's Colleges. Its purpose is to help the reader of the financial statements understand how the principles have been applied.

The Board conducts its business through several committees. Each committee has formally constituted terms of reference, which are reviewed on a regular basis. The committees are:

Audit Committee
Chairs Committee
Remuneration Committee
Finance & Resources Committee
Learner Experience Committee
Strategic Development Committee (disbanded April 2025)
Recovery Plan Monitoring Committee (established July 2025)

In addition, the Board of Management holds development planning days and training evenings during the year for the purposes of training, self-evaluation and development. The Board is supported by an Independent Clerk.

Audit Committee

The Audit Committee comprises at least four non-executive members of the Board of Management (excluding the Principal and Chair). The Committee operates in accordance with written terms of reference approved by the Board of Management.

The Audit Committee meets four times a year and provides a forum for reporting by UHI Perth's external and internal auditors, who have access to the Committee for independent discussion, without the presence of College Management.

The Audit Committee advises the College on the appointment of the internal auditor and the auditor's remuneration. The Audit Committee establishes UHI Perth's risk tolerance and monitors risk.

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UHI Perth's internal auditor monitors the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input. They report their findings to management and the Audit Committee.

Management is responsible for the implementation of agreed audit recommendations and the internal auditor undertakes periodic follow-up reviews which are reported to the Audit Committee to ensure such recommendations have been implemented.

The Audit Committee considers detailed reports together with recommendations for the improvement of UHI Perth's systems of internal control and management's responses and implementation plans. It also receives and considers reports from the SFC and Audit Scotland as they affect UHI Perth's business and monitors adherence to the regulatory requirements.

Finance and Resources Committee ("the Finance Committee")

The Finance Committee comprises four non-executive members of the Board of Management and the Principal. The Committee operates in accordance with written terms of reference approved by the Board of Management.

The Finance Committee meets at least four times a year and, among other matters, recommends to the Board of Management UHI Perth's annual revenue and capital budgets and monitors performance in relation to approved budgets.

The Finance Committee monitors UHI Perth's financial and business perspectives. It approves all key financial decisions, approves the annual budget, considers the financial statements and recommends for approval, oversees the system of financial control and delegated authority. It also considers any other matters relevant to the financial duties of the Board including estates strategy.

Remuneration Committee

The Remuneration Committee comprises of the Chair, the Vice Chair and the Senior Independent Board Member. The Committee is responsible for making recommendations to the Board on the remuneration and benefits of the Principal and Senior Leadership Team.

The details of the remuneration of senior post-holders for the year ended 31 July 2025 are set out in Note 8 of these Financial Statements.

Corporate Strategy

The Board of Management is responsible for the overall strategic development of UHI Perth and is the guardian of its vision and values. Strategic development takes place annually with the Board of Management and the Senior Leadership Team at a full day to consider strategic direction and challenges. This is supported by horizon scanning and futures work and has led to the development of strategic plans underpinned by operational plans. Progress against the agreed strategic priorities in the plan is monitored through a balanced scorecard approach by the appropriate Board committees on a regular basis.

Scope of Responsibility

The Board of Management is responsible for UHI Perth's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate

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the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Management has delegated the day-to-day responsibility to the Principal, as Chief Executive Officer, for maintaining a sound system of internal control that supports the achievement of UHI Perth's policies, aims and objectives, whilst safeguarding the public funds and assets of UHI Perth including those derived from the Regional Strategic Body. The Principal is also responsible for reporting to the Board of Management any material weaknesses or breakdowns in internal control.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of UHI Perth's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in UHI Perth for the year ended 31 July 2025 and up to the date of approval of the annual report and financial statements.

Principal Risks and Uncertainties

UHI Perth's Board of Management is responsible for UHI Perth's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Senior Leadership Team monitors key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms embedded within the operational units and reinforced by risk awareness in operational planning.

The Senior Leadership Team and the Audit Committee also receive regular reports from Internal Audit and Health, Safety and Environmental monitoring functions that include recommendations for improvement. Internal Audit concentrates on areas of key activities determined by a risk analysis and in accordance with the annual internal audit plan approved and amended by the Audit Committee.

The internal auditor has direct access to the Chair of the Audit Committee and issues an annual report with an opinion of the adequacy, reliability and effectiveness of UHI Perth's internal control system.

The Audit Committee considers risk at each Committee Meeting and receives a copy of the Strategic Risk Register (ERM) which is updated quarterly by the UHI Perth Senior Leadership Team.

The Board of Management receive reports thereon from the Audit Committee, the emphasis being on obtaining the relevant degree of assurance and not merely reporting by exception.

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The Board of Management is of a view that there is an ongoing process for identifying, evaluating and managing UHI Perth's significant risks that has been in place throughout the year ended 31 July 2025 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Audit Committee and accords with the Turnbull guidance on internal control, as applicable to the further education sector.

The Risk and Control Framework

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. This includes:

- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Board of Management
- Regular reviews by the Board of Management of periodic and annual financial reports which indicate financial performance against forecasts
- Setting targets to measure financial and other performance
- Clearly defined capital investment control guidelines, and
- The adoption of formal project management disciplines, where appropriate.

UHI Perth appoints an Internal Audit Service, which operates in accordance with the requirements of the SFC's mandatory requirements.

The work of the Internal Audit Service is informed by an analysis of the risks to which the College is exposed, and internal audit plans are based on this analysis.

The analysis of risks and the internal audit plans are endorsed by the Board of Management on the recommendation of the Audit Committee.

The Internal Auditor provides the Audit Committee with a report on internal audit activity within UHI Perth. These reports include the Internal Auditor's independent opinion on the adequacy and effectiveness of UHI Perth's system of risk management, controls and governance processes.

The internal auditor has direct access to the Chair of the Audit Committee and issues an annual report with an opinion of the adequacy, reliability and effectiveness of UHI Perth's internal control system.

UHI Perth's Internal Auditors gave the following opinion in their Annual Report to the Board of Management and Principal on the Provision of Internal Audit services for 2024/25 (the Internal Audit Report):

"In our opinion, with the exception of the follow up issues described in paragraph 1.10 above, the College has adequate and effective arrangements for risk management, control and governance. Proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during 2024/25 and in previous years since our initial appointment."

Commented [LM1]: To be updated depending on opinion.

The follow up issues referred to in the Internal Audit opinion are discussed in more detail under significant control issues and weaknesses below.

Accountability Report

Parliamentary Accountability Report

Review of Effectiveness

As Accountable Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by:

- The work of the internal auditor
- The work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework
- The comments made by the College's external auditor in their management letters and other reports.

The Board of Management has been advised on the implications of the review of the effectiveness of internal control by the Audit Committee, which oversees the work of the internal auditor.

The Senior Leadership Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments.

The Senior Leadership Team and the Audit Committee also receive regular reports from internal audit, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control.

The Audit Committee considers risk at each Committee meeting via the Enterprise Risk Management (ERM) framework, which is updated quarterly by UHI Perth's Senior Leadership Team. The Board of Management receives reports thereon from the Audit Committee, the emphasis being on obtaining the relevant degree of assurance and not merely reporting by exception.

At its 8 December 2025 meeting, the Audit Committee carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the Senior Leadership Team and the internal auditor and taking account of events since 31 July 2025. A further review was carried out by the Board of Management on 18 December 2025.

Commented [LM2]: To be updated.

Significant Control Issues/ Weaknesses

In the year ending 31 July 2025, no significant control weaknesses were identified. It was noted that UHI Perth had made limited progress in implementing the internal audit recommendations followed up as part of the 2024/25 Follow Up reviews. An action plan is in place to address these recommendations reported through Audit Committee. There were significant changes in the Finance Team during the year, which meant that financial monitoring reports were provided quarterly from quarter 2. The Finance Team was restructured during 2023/24 but there were further changes to the team during the year with the resignation of the Director of Finance in April 2025, the appointment of an interim Director of Finance in June 2025 and the resignation of two other Finance team members in September 2025.

Commented [LM3]: To be updated.

Going Concern

The financial sustainability challenges are set out in the Principal's report above. During the financial year 2024/25 the SFC provided an advance of grant totalling £1.5m to assist with the College's liquidity challenges repayable when the management accounts and cash flow

Accountability Report

Parliamentary Accountability Report

statements indicate that it can be accommodated. The SFC sent the interim Principal of UHI Perth a letter of comfort in November 2025 confirming that they will work with the sector and individual colleges and regions to consider ways to help manage cash flow requirements for the period of 12 months from the date of approval of our balance sheet. The Board of Management therefore confirms that they consider UHI Perth to be a going concern over the period of 12 months from the date of signing the accounts as described in the Colleges Scotland Corporate Governance Code June 2022 (section 5.1.3) and that the financial statements have been prepared on this basis as set out in Note 1 of these financial statements.

Parliamentary Accountability Report

We have no matters to report.

**Approved by order of the members of the Board of Management on 18 December 2025
and signed on its behalf by:**

Catherine Etri
Interim Principal and Chief Executive

Alistair Wylie
Interim Chair

Perth College
Appendix 1 as at 31 July 2025

Committee	Finance and Resources Committee
Subject	2025/26 Final Budget
Date of Committee meeting	08/12/2025
Authors	Lynn Murray, Depute Principal – Operations Fiona Cameron, Interim Director of Finance
Date paper prepared	01/12/2025
Executive summary	<p>The paper recommends that the Finance and Resources Committee endorses the 2025/26 final budget, which includes adjustments as a result of the Financial Recovery Plan (FRP), before approval at the Board on 18 December 2025. The committee is also asked to note the impact of FRP adjustments on the plans for the following two years.</p> <p>Appendix 1 – Final budget 2025/26</p> <p>Appendix 2 – Revised plan 2026/27</p> <p>Appendix 3 – Revised plan 2027/28</p>
<p>Committee Consultation</p> <p>Please note which Committees this paper has previously been tabled at, and a brief summary of the outcomes/actions arising from this.</p>	<p>The baseline budget was approved by the Board on 30 June 2025 and the FRP was approved by the Board on 27 August 2025.</p> <p>The revised figures for the 2025/26 budget and following two years were tabled at the Finance & Resources Committee meeting of 25 September 2025 to show the budget that forecasts would be monitored against if the RSB approved the FRP.</p>
Action requested	<input type="checkbox"/> For information <input type="checkbox"/> For discussion <input checked="" type="checkbox"/> For endorsement <input type="checkbox"/> For approval <input type="checkbox"/> Recommended with guidance (please provide further information, below)
Risk implications	Yes

<p>Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk?</p> <p>Authors must identify: (a) the relevant risk(s) from the ERM Risk Register linked to the paper; and (b) the Board-approved risk appetite level for each associated risk.</p> <p>If yes, please provide details</p>	<p>(a) Financial – If UHI Perth doesn't put in place a budget and regularly monitor forecasts against it, we will not know progress against achieving the Financial Recovery Plan to ensure that UHI Perth breaks even over a three-year period from 2025/26.</p> <p>(b) Minimal risk appetite.</p>
<p>Strategic Impact</p> <p>Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf</p> <p>If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.</p>	<p>Financial sustainability</p>
<p>Resource implications</p> <p>Does this activity/proposal require the use of College resources to implement?</p> <p>(If yes, please provide details)</p>	<p>Yes</p> <p>Significant resources are required from budget holders and the Finance Team to prepare the budget and plans for the following two years, provide forecasts and monitor budgets monthly. Budget holders are required to take actions to ensure the budget is met.</p>
<p><u>Equality and diversity</u></p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p>Data Protection</p> <p>Does this activity/proposal require a Data Protection Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<p>Island communities</p> <p>Does this activity/ proposal have an effect on an island community which is</p>	<p>No</p> <p>If yes, please give details:</p> <p>Click or tap here to enter text.</p>

significantly different from its effect on other communities (including other island communities)?	
Status (e.g. confidential/non confidential)	Non-Confidential

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"/>
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 UHI Perth Board approved the 2025/26 baseline budget on 30 June 2025 and approved the Financial Recovery Plan (FRP) on 27 August 2025.
2. At the time of the last Finance and Committee meeting on 29 September 2025 and the Board meeting on 7 October 2025, it was understood that the Regional Strategic Body (RSB) and the Scottish Funding Council (SFC) would also need to approve the FRP before it was finalised. However, since then it has been clarified that, as the UHI Perth Board has approved the FRP, the RSB and the SFC would only provide feedback rather than approve. The RSB and the SFC have requested further information on delivery timescales and risk. The SFC has appointed PWC consultants to carry out due diligence on the assumptions and figures within the FRP.
3. The Auditor General prepared a statutory report (section 22 report) due to the failure of UHI Perth to set a budget for the financial year 2023/24. Even though approval of the FRP is in effect approval of the budget, it is considered prudent to have specific approval from the Board of the 2025/26 budget.

Approval of 2025/26 budget

4. Appendix 1 shows the revised and final budget for 2025/26 of £232k net deficit, which is made up of the baseline budget approved on 30 June 2025 and adjustments for income growth and cost savings proposed in the FRP approved on 27 August. Financial forecasts will then be monitored against the final budget for 2025/26.
5. Appendices 2 and 3 show the plans for the following two financial years – net surplus of £116k in 2026/27 and net surplus of £116k in 2027/28.

Recommendation

6. The Committee is asked to endorse the final budget for 2025/26 of £232k net deficit at appendix 1 and recommend approval to the Board.
7. The Committee is also asked to note the impact of FRP adjustments on the plans for the following two years – 2026/27 and 2027/28.

Appendix 1 – Final budget 2025/26

	Draft Budget 25/26	FRP Adjustments	Final Budget 25/26
	£'000	£'000	£'000
Income			
Academic			
FE Teaching Grant	8,750		8,750
Student Support	2,410		2,410
SFC/RSB Grants	612	403	1,015
HE Teaching Grants	7,251	389	7,640
Tuition Fees	2,616		2,616
SDS Contracts	511		511
International Income	1,473		1,473
Other Income	443	92	535
	24,066	884	24,950
Commercial			
Catering/Residences	1,281		1,281
Other Income	70	2	72
ASW	860	46	906
	2,211	48	2,259
Total Income	26,277	932	27,209
Staff Costs			
Staff Costs	18,335	(679)	17,656
Contracts & Timesheet	858	(309)	549
VS & Pension Strain	0	123	123
Total Staff Costs	19,193	(865)	18,328
Non-Staff costs			
Travel & Subsistence	140	(14)	126
Training & Other staff costs	102		102
Course costs & exam fees	1,920		1,920
Supplies & Services	1,861	(5)	1,856
ICT	619	(134)	485
Property costs	1,844	(238)	1,606
Legal & Admin	595	(72)	523
Bursary costs	2,410		2,410
Finance costs	84		84
Total Non-Staff costs	9,576	(463)	9,113
Net Deficit	(2,492)	2,260	(232)

Appendix 2 – Revised plan 2026/27

	Draft Plan 26/27	FRP Adjustments	Revised Plan 26/27
	£'000	£'000	£'000
Income			
Academic			
FE Teaching Grant	8,750		8,750
Student Support	2,410		2,410
SFC/RSB Grants	288	171	459
HE Teaching Grants	7,251	691	7,942
Tuition Fees	2,616		2,616
SDS Contracts	511		511
International Income	1,473	250	1,723
Other Income	344	170	514
	23,645	1,282	24,927
Commercial			
Catering/Residences	1,305		1,305
Other Income	68	52	120
ASW	885	57	942
	2,258	109	2,367
Total Income	25,902	1,391	27,293
Staff Costs			
Staff Costs	18,834	(1,072)	17,762
Contracts & Timesheet	885	(532)	353
VS & Pension Strain	0	8	8
Total Staff Costs	19,720	(1,596)	18,124
Non-Staff costs			
Travel & Subsistence	143	(21)	122
Training & Other staff costs	107		107
Course costs & exam fees	1,715		1,715
Supplies & Services	1,793	(196)	1,597
ICT	720	(51)	669
Property costs	1,900	(89)	1,811
Legal & Admin	607	(73)	534
Bursary costs	2,410		2,410
Finance costs	88		88
Total Non-Staff costs	9,483	(430)	9,053
Net (Deficit)/ Surplus	(3,301)	3,417	116

Appendix 3 – Revised plan 2027/28

	Draft Plan 27/28	FRP Adjustments	Revised Plan 27/28
Income	£'000	£'000	£'000
Academic			
FE Teaching Grant	8,750		8,750
Student Support	2,410		2,410
SFC/RSB Grants	288	90	378
HE Teaching Grants	7,251	691	7,942
Tuition Fees	2,616		2,616
SDS Contracts	511		511
International Income	1,473	750	2,223
Other Income	345	203	548
	23,646	1,734	25,380
Commercial			
Catering/Residences	1,321		1,321
Other Income	68	82	150
ASW	910	68	978
	2,300	150	2,450
Total Income	25,945	1,884	27,829
Staff Costs	19,463	(1,187)	18,276
Contracts & Timesheet	913	(696)	217
VS & Pension Strain	0	0	0
Total Staff Costs	20,375	(1,883)	18,492
Travel & Subsistence	143	(21)	122
Training & Other staff costs	107		107
Course costs & exam fees	1,634		1,634
Supplies & Services	1,795	(254)	1,541
ICT	761	38	799
Property costs	1,930	92	2,022
Legal & Admin	605	(109)	496
Bursary costs	2,410		2,410
Finance costs	89		89
Total Non-Staff costs	9,475	(254)	9,221
Net (Deficit)/ Surplus	(3,905)	4,021	116

Name of Committee	Finance and Resources Committee
Subject	Financial Forecast to 31 July 2026 at 30 September 2025.
Date of Committee meeting	08/12/2025
Author	Lynn Murray, Depute Principal Operations Fiona Cameron, Interim Director of Finance Yemi Orioge, Finance Manager
Date paper prepared	05/12/2025
Executive Summary Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved	<p>This paper includes the year-to-date actual position at 30 September 2025 of £2.279m surplus as well as the full-year financial forecast to 31 July 2026 at 30 September 2025 of £666k surplus.</p> <p>This is the first forecast that has been provided for the 2025/26 financial year.</p> <p>Appendix 1 – Financial forecast to 31 July 2026 at 30 September 2025</p> <p>Appendix 2 – Cashflow forecast to 31 July 2026 at 18 November 2025</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.	N/A
Action requested	<input checked="" type="checkbox"/> For information <input checked="" 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)
Risk implications	Yes

<p>Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk?</p> <p>Authors must identify: (a) the relevant risk(s) from the ERM Risk Register linked to the paper; and (b) the Board-approved risk appetite level for each associated risk.</p> <p>If yes, please provide details</p>	<p>(a) Financial – If UHI Perth doesn't take identified actions and regularly monitor budget against forecast we will not know progress against achieving the Financial Recovery Plan to ensure that UHI Perth breaks even over a three-year period from 2025/26.</p> <p>(b) Minimal risk appetite.</p>
<p>Strategic Impact</p> <p>Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf</p> <p>If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.</p>	<p>Financial Sustainability</p>
<p>Resource implications</p> <p>Does this activity/proposal require the use of College resources to implement?</p> <p>If yes, please provide details.</p>	<p>Yes</p> <p>Improved financial reporting will require significant resource from the Finance Team and budget holders.</p>
<p>Equality & Diversity</p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p>Data Protection</p> <p>Does this activity/proposal require a Data Protection Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>

<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>Status</p> <p>(ie confidential or non-confidential)</p>	<p>Non-Confidential</p> <p>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:</p> <p>Click or tap here to enter text.</p>

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:

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

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

and

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

Background

1. The Board approved a baseline budget for 2025/26 at the meeting on 30 June 2025 prior to a Financial Recovery Plan (FRP) being approved on 27 August 2025. Although approval of the FRP was effectively approval of a revised budget, a paper is being presented to the Board meeting of 18 December 2025 requesting that the Board specifically approves a final budget comprised of the baseline budget and FRP adjustments for income growth and cost savings. Forecasts have been measured against a deficit budget of £232k for 2025/26.
2. The Board has been clear that their expectation is for monthly financial forecasts to be produced for 2025/26. At the meeting of 7 October, the Board agreed that August and September management accounts could be processed together.
3. The period between August and November has been extremely busy for the Finance Team with preparing the financial statements for the year ended 31 July 2025, responding to a significant volume of queries from external audit, and meeting with budget holders to provide information to prepare the management accounts to 30 September. In addition, the SFC has commissioned PWC to carry out due diligence of the FRP within a limited time period, which has required resources from the Finance Team to provide information to support this work. This is the first time that current Finance Team members have prepared the report and financial statements for UHI Perth.

Year-to-date position at 30 September 2025

4. When preparing the 2025/26 budget, budget holders were asked to phase income and expenditure by month over the year, which would also help with cashflow. This exercise was based on estimates and should become more accurate in future years when we can establish trends of actual data.
5. There was insufficient time to phase the FRP adjustments, so the year-to-date budget has been allocated proportionately. This will be refined in future months.
6. In appendix 1 the year-to-date forecast at 30 September 2025 shows a surplus of £2.279m against a year-to date deficit budget of £39k giving a variance of £2.317m. This is comprised of £1.990m increase in income and £327k increase in expenditure. The largest variance in income of £1.150m relates to tuition income, which had been phased between September 2025 and April 2026 in the budget but £1.6m was received in September.

Full year financial forecast at 30 September 2025

7. A full year financial forecast to 31 July 2026 was prepared at 30 September 2025. Meetings took place between the Finance Team and budget holders across UHI Perth, which focussed on forecasts for income, staff costs and non-staff costs for each Cost Centre. Appendix 1 shows that, based on information at 30 September, there is a forecast surplus of £666k compared to the deficit budget of £232k. The variance of £898k is comprised of £961k increase in income and £63k increase in expenditure. It should be noted that UHI

Perth cannot carry forward a surplus and decisions will be required potentially after the half-year point of the year as to how any surplus is used with a likely scenario being to repay SFC for the advance of grant funding.

8. The most significant variances in relation to £961k increase in income are as follows:

- RDEL (revenue) and CDEL (capital) for estates maintenance – the assumption in the budget was based on SFC guidance that CDEL funding must be used for capital spend when previously it could be used for ongoing repairs and maintenance. SFC notified Scottish colleges in November 2025 that for 2025/26, CDEL can be converted to RDEL. We have agreed with the Regional Strategic Body (RSB) that we estimate £150k of £799k CDEL allocated relates to capital and we are forecasting £649k against our revenue budget.
- Support Staff pay award – the budget assumed 3% pay award to Support Staff. However, the employers side have offered 4.25% pay award for 2025/26, and Unions have balloted their members on whether they want to accept. The increase of 1.25% will be paid for by Scottish Government so we have forecast increased income of £85k.
- It had been assumed in the budget that post-graduate tuition fees were included in total income from tuition fees. However, an additional sum of £184k was received as well as £30k other income per the table below paragraph 13. We will do more detailed work on tuition fees to better predict income in future.

9. The most significant variances in relation to £63k increase in expenditure are:

- Staff costs - £85k increase due to 4.25% pay award forecast when 3% was assumed in the budget, offset by savings on staff cost due to restructuring and various staff changes resulting in a net overspend of £26k.
- Supplies and services – there is an overspend of £40k forecast for the interim Director of Finance as the initial contract period was extended due to the difficulties in successfully recruiting a Chief Financial Officer.
- Legal and admin costs – there is an overspend of £38k with £13k for the Impact Hub Inverness for the Centre of Mountain Studies (invoice relates to 2024/25 funding and is a potential adjustment post-audit) and £25k for other legal and professional fees. Deloitte has advised that there will be an additional cost for 2025/26 for work on AST following it's administration but we have no indication of what this will be yet. They have also requested additional fees for 2023/24 as they carried out additional work due to delays but this has not yet been confirmed.

Income

	Baseline Budget 25/26	FRP Adjustments	Revised Budget 25/26	Forecast	Variance
Income	£'000	£'000	£'000	£'000	£'000
Academic					
FE Teaching Grant	8,750		8,750	8701	48
Student Support	2,410		2,410	2410	0
SFC/RSB Grants	612	403	1,015	1761	(747)
HE Teaching Grants	7,251	298	7,549	7606	(57)
Tuition Fees	2,616	91	2,707	2922	(215)
SDS Contracts	511		511	550	(39)
International Income	1,473		1,473	1469	4
Other Income	443	92	535	554	(19)
	24,066	884	24,950	25,974	(1,024)
Commercial					
Catering/Residences	1,281		1,281	1294	(13)
Other Income	70	2	72	84	(11)
ASW	860	46	906	819	87
	2,211	48	2,259	2,197	63
Total Income	26,277	932	27,209	28,170	(961)

10. Significant variances between budget and the forecast at 30 September 2025 for income are shown in the tables below. Income of £120k was received from the Tay Cities Fund in relation to claims for equipment and staff time spent on the Tay Cities Engineering Partnership Project. It has not been included in the forecast at this stage as discussions are being held with the external auditors on whether it should properly be allocated to 2024/25.
11. In the FRP it was assumed that the Centre for Mountain Studies (CMS) would transfer to the Executive Office of UHI in February 2026. Discussions are continuing and the full year income and costs have been included for this report. This will be adjusted in future reports when there is more certainty.
12. We currently have 22,416 FE credits in 2025/26 against a target of 22,050 and 1,564 HE FTEs against a target of 1,578 (including the additional 50). There is still work happening in Curriculum to establish figures for the controlled numbers.

FE Teaching Grant	£'000
25/26 Revised budget	8,750
Part funding of academic pay award included in budget figure.	(48)
Forecast at 30/09/25	8,701

SFC/ RSB grants	£'000
25/26 Revised budget	1,015
SFC grant for RDEL £649k and CDEL £19.5k	669
48% FE NI Increase differential per FE statement	3
1.25% Support Staff Pay Award Funding from SG	85
CMS anticipated income from Feb to July 2026	67
Research funding income	19
Budget overstatement £49k Mental Health and £6k sanitary funding	(55)
Lower academic pay award funding confirmed by EO than budgeted	(41)
Forecast at 30/09/25	1,761

HE Teaching Grants	£'000
25/26 Revised budget	7,549
Additional income from controlled numbers	57
Forecast at 30/09/25	7,606

Tuition fees	£'000
25/26 Revised budget	2,707
Postgraduate Fees Self financing	115
Postgraduate Fees SAAS Funded	69
Open learning Income	21
Increased Tuition Fee	9
Forecast at 30/09/25	2,922

SDS Contracts	£'000
25/26 Revised budget	511
Underbudgeted MA Income	54
Overestimation of Non-Government Grants for Business Development.	(16)
Forecast at 30/09/25	550

ASW	£'000
25/26 Revised budget	906
Reduced income - Pay as you go for gym and climbing	(87)
Forecast at 30/09/25	819

Staff costs

	Baseline Budget 25/26	FRP Adjustments	Revised Budget 25/26	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000
Staff Costs	18,335	(679)	17,656	17,681	(26)
Contracts & Timesheet	858	(309)	549	497	52
VS & Pension Strain	0	123	123	125	(2)
Total Staff Costs	19,193	(865)	18,328	18,303	25

13. The variations in staff costs are shown in the table below. An explanation of the reason for the variance is shown in paragraph 9 above.

Staff costs	£'000
25/26 Revised budget	18,328
1.25% Support Staff Pay Award not budgeted	(62)
Additional pension strain	2
Savings contracts & timesheet cost over budget- £111k potential savings in Art Humanities & Education Offset by £30k increased cost in Built Environment and Automotive Engineering area due to vacant positions being filled by temporary staff and ASW contract and timesheet cost underbudgeted by £30k.	35
Forecast at 30/09/25	18,303

Non-staff costs

	Baseline Budget 25/26	FRP Adjustments	Revised Budget 25/26	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000
Non Staff Cost					
Travel & Subsistence	140	(14)	126	154	(29)
Training & Other staff costs	102		102	130	(28)
Course costs & exam fees	1,920		1,920	1935	(14)
Supplies & Services	1,861	(5)	1,856	1896	(40)
ICT	619	(134)	485	432	53
Property costs	1,844	(238)	1,606	1598	9
Legal & Admin	595	(72)	523	561	(38)
Bursary costs	2,410		2,410	2410	0
Finance costs	84		84	84	(1)
Total Non-Staff costs	9,576	(463)	9,113	9,201	(87)

14. The largest variation to non-staff costs was £53k savings in ICT cost due mainly to licence cost reduction.

Capital budget

15. It has been estimated that £150k will be spent from CDEL on estates maintenance during 2025/26.

FRP monitoring

16. The Recovery Plan Monitoring Committee is scheduled to meet monthly and reports on progress to the Board. The Committee monitors finance, timescales and risk. The tables below show the forecast against budgeted income growth and staff cost and non-staff cost savings per the proposals in the FRP.

	Budget 25/26 £000	Forecast 30/09/25 £000	Variance £000
Income Growth			
Curriculum			
Increase HE numbers	302	302	0
Short courses	92	51	41
Estates			
Goodlyburn theatre	2	2	0
ASW - increased fees	30	0	30
ASW - new memberships	11	0	11
ASW - increased sports hall income	5	0	5
Total income growth	442	355	87

The short courses are currently facing capacity constraints, and low demand remains the primary challenge limiting the growth of this income stream.

Total income for ASW is forecasted to be less than budget. More detailed analysis is required to determine the breakdown between the different income lines e.g. memberships, sports hall.

	Budget 25/26 £000	Forecast 30/09/25 £000	Variance £000
Non-staff costs			
ICT - reduced spend	64	64	0
ICT - re-profile spend	70	70	0
Estates reduced spend	25	14	12
Estates - reprofile planned maintenance	200	200	0
HR - reduced spend	45	45	0
Legal budget - reduced spend	10	0	10
Consultancy - reduced spend	17	17	0
Energy usage - reduced spend	16	16	0
UHI microram - net receiver	87	87	0
Centre for Mountain Studies	96	60	36
Total non-staff cost savings	630	573	57

Estates reduced spend variance: It was assumed in the FRP that the security contract would be terminated in August 2025 but it was not effective until October 2025 (£9k savings forecast). The contract for toilet monitoring equipment tied us into a period so £5k as opposed to £12k savings made.

Estates reprofiled planned maintenance: The RSB CFO to confirmed that UHI Perth would still receive the same allocation of CDEL for estates maintenance even though we are aiming to spend £200k less.

Legal Reduced Spend: Legal savings of £10k not achievable due to forecasted overspend.

Centre for Mountain Studies: In the FRP it was assumed that the Centre for Mountain Studies (CMS) would transfer to the Executive Office of UHI in February 2026. Discussions are continuing and the full year income and costs have been included for this report. This will be adjusted in future reports when there is more certainty.

	Budget 25/26 £000	Forecast 30/09/25 £000	Variance £000	Budget 25/26 FTE	Forecast 30/09/25 FTE	Variance FTE
Staff costs						
Vacant posts - non management	172	176	(4)	4	4	0
Management restructure	343	415	(72)	5	5	0
Voluntary severance & strain costs - one-off	(123)	(125)	2			
Curriculum review	306	306	0			
Invigilators, readers and scribes	3	3	0			
Total staff cost savings	701	775	(74)	9	9	0

Cashflow

17. At 30 November 2025 there was cash in bank of £2.6m. The table in appendix 2 shows the most up-to-date cashflow position reported to the RSB on 18 November 2025 against the cashflow in the FRP. The main differences between budget and actual are noted in the appendix.

18. It should be noted that the SFC provided £1.5m advance of grant in 2024/25 that will be repaid when UHI Perth is in a position to do so. The SFC also allowed 2025/26 grant funding to be drawn down early within agreed limits.

19. The RSB has provided liquidity support by delaying receipt of the 2024/25 clawback for reduced HE student numbers of £700k to at least January 2026 primarily to allow payment to be made in December to the Resource Group for delivery of the part 66 element of the BSC (Hons) Aircraft Maintenance Engineering and Management programme.

Balance Sheet

20. The Balance Sheet at 30 September 2025 has not been included in this report as the Finance Team has not yet reconciled all the Balance Sheet codes due to other work priorities referred to in paragraph 2.

21. The aged debtors report at 30 September 2025 totals £1.156m. Of this balance, £707k is 3 months old or less, with the remaining £449k dating back to prior periods. The largest balances are:

- Beijing Lan Ting Wang Education Technology Centre £238,700 – this is due to be paid on 31 December although the invoice was raised on 29 May 2025. The Director of International updated that their approval takes longer, which is why the invoice was raised so far in advance. She has received notification that it will be paid in December.
- Perth & Kinross Council - £108,526 dated 15 March 2023 – relates to Employability funding – No-one Left Behind project. UHI Perth carried out work on behalf of the project which PKC was Lead Partner on. It is UHI Perth's view that we carried out our responsibilities under the partnership but PKC is disputing this. We commissioned Henderson Loggie to carry out an independent review and they concluded that UHI Perth is entitled to funding under the Service Level Agreement. The former Principal emailed PKC on 9 April 2025 and the Depute Principal Operations has followed up by email on different occasions. We have just received a response from PKC explaining that we did not get the full funding due to quality of records and delivery numbers less than target. This is disputed by the UHI Perth team so discussion on this matter continues.
- Asian Institute of Technology and Management (AITM) - £37,875 – this has now been paid.
- University of Akureyri - £21,816 – payment is being processed from Iceland and is expected in December.
- There are various invoices relating to students. A lot of students are on payment plans. If they do not pay on time the Finance Assistant will contact the Curriculum to help encourage payment.

Key Risks

22. It is very early in the financial year to predict accurately what will happen for the remaining 10 months of the year and financial forecasts are based on information known at the time. This means that there is a risk of forecasts changing as the year progresses.

23. The key risks to the budget that could make a significant impact are:

- ASW income – local competitors re offering discounts over the festive period and a new gym facility is opening in January. This may impact on the membership and customer numbers in ASW, which then affects income.
- Contract and timesheet costs - the level of cover required depends on the level of staff absence, which is out with our control. We can look at more innovative ways of delivery.
- Estates and maintenance – ICT is on break-fix and we have reduced spend on our estate. However, there is a risk that emergency spend will be required on these areas to replace essential equipment and infrastructure.
- Legal and admin – with the HR Director leaving on voluntary severance it may be necessary to take more legal advice for complex HR-related matters.

Appendix 1 – Financial forecast to 31 July 2026 at 30 September 2025

	Baseline Budget 25/26	FRP Adjustments	Revised Budget 25/26	Forecast	Variance	YTD Budget	YTD Actual	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Academic								
FE Teaching Grant	8,750		8,750	8701	48	1,458	1928	(470)
Student Support	2,410		2,410	2410	0	402	198	204
SFC/RSB Grants	612	403	1,015	1761	(747)	169	644	(474)
HE Teaching Grants	7,251	298	7,549	7606	(57)	1,258	1003	255
Tuition Fees	2,616	91	2,707	2922	(215)	451	1601	(1,150)
SDS Contracts	511		511	550	(39)	85	-9	94
International Income	1,473		1,473	1469	4	246	452	(207)
Other Income	443	92	535	554	(19)	89	66	24
	24,066	884	24,950	25,974	(1,024)	4,158	5,883	(1,724)
Commercial								
Catering/Residences	1,281		1,281	1294	(13)	213	542	(328)
Other Income	70	2	72	84	(11)	12	-41	53
ASW	860	46	906	819	87	151	142	9
	2,211	48	2,259	2,197	63	377	643	(266)
Total Income	26,277	932	27,209	28,170	(961)	4,535	6,525	(1,990)
Staff Costs								
Staff Costs	18,335	(679)	17,656	17,681	(26)	2,943	2947	(4)
Contracts & Timesheet	858	(309)	549	497	52	92	83	9
VS & Pension Strain	0	123	123	125	(2)	21	52	(32)
Total Staff Costs	19,193	(865)	18,328	18,303	25	3,055	3,082	(27)
Non-Staff Costs								
Travel & Subsistence	140	(14)	126	154	(29)	21	19	2
Training & Other staff costs	102		102	130	(28)	17	27	(10)
Course costs & exam fees	1,920		1,920	1935	(14)	320	84	236
Supplies & Services	1,861	(5)	1,856	1896	(40)	309	403	(93)
ICT	619	(134)	485	432	53	81	170	(89)
Property costs	1,844	(238)	1,606	1598	9	268	266	1
Legal & Admin	595	(72)	523	561	(38)	87	11	76
Bursary costs	2,410		2,410	2410	0	402	197	205
Finance costs	84		84	84	(1)	14	-12	26
Total Non-Staff costs	9,576	(463)	9,113	9,201	(87)	1,519	1,165	354
Total Cost	28,769	(1,328)	27,441	27,504	(63)	4,574	4,247	327
Operating Net (Deficit)/ Surplus	(2,492)	2,260	(232)	666	(898)	(39)	2,279	(2,317)

Appendix 2 – Cashflow forecast to 31 July 2026 at 18 November 2025

Per Financial Recovery Plan

2025/26	Aug-25 £000	Sep-25 £000	Oct-25 £000	Nov-25 £000	Dec-25 £000	Jan-26 £000	Feb-26 £000	Mar-26 £000	Apr-26 £000	May-26 £000	Jun-26 £000	Jul-26 £000
Income	2,007	2,609	3,435	1,985	2,094	1,841	2,361	2,263	2,442	1,980	1,938	2,515
Staff	-1,483	-1,600	-1,538	-1,560	-1,733	-1,540	-1,530	-1,588	-1,526	-1,526	-1,587	-1,526
Non-Staff	-274	-723	-1,889	-650	-1,102	-936	-624	-1,123	-641	-564	-620	-386
Total cashflow	251	286	8	-225	-741	-635	207	-448	274	-111	-269	603
Opening balance	1,712	1,963	2,249	2,257	2,032	1,291	656	863	415	689	578	309
Movement	251	286	8	-225	-741	-635	207	-448	274	-111	-269	603
Closing Balance	1,963	2,249	2,257	2,032	1,291	656	863	415	689	578	309	912

Per cashflow return submitted to the SFC on 18 November 2025

2025/26	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
	Actuals											
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Income	1,990	2,376	3,222	1,941	2,050	2,039	2,464	2,370	2,488	2,080	2,037	2,413
Staff	-1,501	-1,525	-1,589	-1,564	-1,583	-1,521	-1,815	-1,589	-1,526	-1,526	-1,587	-1,526
Non-Staff	-422	-637	-986	-650	-1,909	-884	-624	-1,073	-681	-564	-620	-481
Total cashflow	67	214	647	-273	-1,442	-366	25	-292	281	-10	-170	406
Opening balance	1,712	1,779	1,993	2,640	2,367	925	559	584	292	573	563	393
Movement	67	214	647	-273	-1442	-366	25	-292	281	-10	-170	406
Closing Balance	1,779	1,993	2,640	2,367	925	559	584	292	573	563	393	799

In the first three months of the financial year the main differences between forecast and actual are:

- Originally assumed pay awards would be made from September – est £57k each month. Now assuming February.
- Originally expected clawback of £990k to be paid in October – assumed December in November return to SFC.
- £245k expected from SFC in September for the Resource Group but receipt is linked to the PWC work on the FRP and no firm date of when it will be received.
- £81k pension strain not in the original cashflow.

Committee Cover Sheet

Paper No. 5

Name of Committee	Finance and Resource Committee
Subject	ESTATES
Date of Committee meeting	08/12/2025
Author	Dr David G Gourley – Director of Learning Strategies, Enhancement & Resources
Date paper prepared	01/12/2025
<p>Executive Summary</p> <p>Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved</p>	<p>UHI Perth's December 2025 Estates Report outlines recent staffing changes, operational challenges and ongoing estate priorities. Strategic responsibility for estates has transferred to the Director of Learning Strategies, Enhancement and Resources, supported by a new Estates Manager, while the Estates Officer post has been removed.</p> <p>A major issue has been the prolonged outage and subsequent reliability faults of the Brahan building lift, which required replacement and remains under monitoring following repeated breakdowns.</p> <p>Estate operations recorded 526 repair requests between August and November, with 58 still open, alongside planned major works for 2025/26 totalling £209k excluding VAT. Environmental sustainability remains a core focus, with the annual PBCCD return submitted and commitments to carbon reduction, improved energy efficiency, and strengthened data monitoring.</p> <p>Priorities for 2026 include further energy-saving initiatives, development of an infrastructure strategy, improved space utilisation data and collaboration opportunities, aligned to financial recovery and estate optimisation.</p>
<p>Committee Consultation</p> <p>Please note which Committees this paper has previously been tabled at, and a brief summary of the outcomes/actions arising from this.</p>	n/a

Committee Cover Sheet

<p>Action requested</p>	<p> <input type="checkbox"/> For information <input checked="" 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) </p>
<p>Risk implications</p> <p>Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk?</p> <p>Authors must identify: (a) the relevant risk(s) from the ERM Risk Register linked to the paper; and (b) the Board-approved risk appetite level for each associated risk.</p> <p>If yes, please provide details</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<p>Strategic Impact</p> <p>Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf</p> <p>If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.</p>	<p>n/a</p>
<p>Resource implications</p> <p>Does this activity/proposal require the use of College resources to implement?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p>Equality & Diversity</p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>

Committee Cover Sheet

<p>Data Protection</p> <p>Does this activity/proposal require a Data Protection Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<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>Status</p> <p>(ie confidential or non-confidential)</p>	<p>Non-Confidential</p> <p>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:</p> <p>Click or tap here to enter text.</p>

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:

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

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

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

and

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

UHI Perth Estates Report**December 2025****Purpose**

This paper summarises the key issues in relation to the UHI Perth estate.

Staff changes

On the 17 September David Gourley the Director of Learning Strategies, Enhancement and Resources was given strategic responsibility for estates. On the 17th of November Tessa Ward started as Estates Manger with operational responsibility for the estates team. The Estates Officer left at the end of November on voluntary severance, and this role won't be replaced.

Lift in the Brahan building

The lift in the Brahan building was out of service for over a year and required full replacement. Although the declaration of conformity was issued on 17 October and the lift was made operational, the lift experienced a series of faults following installation, resulting in multiple breakdowns on 17 October, 29 October, 30 October and 11 November. Engineers attended on the day on each occasion and the lift is currently operational.

The issues appear to relate to the installation process and our dissatisfaction with this has been formally raised with Stannah. To improve reliability and manage usage, a coded keypad was installed on 25 November to restrict access to approved users.

Reactive repairs

Between the 1st of August until the 30th of November 2025 we have received the following requests.

Emergency- 4 Hour	34
Low- 15 Day Response	88
Medium- 5 Day Response	261
No Priority Selected	1
Planned	142

We have currently 58 open repairs.

Larger works

The planned major works for 2025/26 total £209k (excl. VAT). Progress is summarised below:

Task	Cost estimate excluding VAT (£000)	Status
Fire suppression to meet insurance recommendations fitted to all kitchens	18	Quotes under assessment
Electrical remedials to Brahan after periodic inspection	29	Completed
Fit air conditioning unit to Goodlyburn Theatre	26	Further survey required
Replace faulty air conditioning to the Brahan theatre and bunker	22	Further survey required
Repairs to the ventilation for the Webster gas boiler	10	Ongoing discussions
Replacement pump in Brahan boilerhouse	12	Ongoing discussions
Emergency shut-off valve Brahan boilerhouse	9	Scheduled for Spring recess
Replacement thermostatic valves in the Brahan building	3	Completed
Extraction system fitted to the brick workshop	56	Cancelled
Lighting upgrades to Goodlyburn recording studios – estimate	12	Completed
Lighting upgrades to Goodlyburn theatre – estimate	12	An external funding application has been made for this work
Total	209	

This doesn't include reactive repairs or any of the smaller request that may come in throughout the year. He estimated that £550-650k per year of the estates budget relates to servicing and maintenance.

Environmental Sustainability

UHI Perth submitted its annual return on Public Body Climate Change Duties (PBCCD) on the 28th of November.

UHI Perth is committed to embedding environmental sustainability across all areas of its operations, academic provision and community engagement, supporting the transition to a low-carbon, climate-resilient future and contributing to Scotland's national Net Zero targets. The College has set a goal to reduce its gross carbon footprint by **2% per year (10% over five years)** and is developing a comprehensive programme of actions to achieve meaningful carbon reduction, enhance climate adaptation, and build a culture of sustainability across campus.

UHI Perth will:

- **Deliver targeted carbon-reduction measures** across the estate, including improving energy efficiency, optimising building occupancy and operation, extending LED lighting replacement programmes, and pursuing renewable-energy opportunities.
- **Improve environmental performance across Scope 1, 2 and 3 emissions**, supported by strengthened data collection systems, improved monitoring of utilities and enhanced reporting on travel and waste.
- **Develop a climate-risk and adaptation approach** to ensure estates planning responds to changing weather patterns, extreme temperatures, and infrastructure resilience needs.
- **Engage staff and students actively in climate action**, supported by initiatives such as the Perth Green Champions Group, carbon-literacy training, sustainability workshops and communications campaigns.
- **Integrate environmental sustainability within education and research**, embedding climate themes, the circular economy and the UN Sustainable Development Goals within the curriculum and encouraging applied learning and project activity.
- **Work collaboratively through the UHI Sustainability Strategy Implementation Group** and external partners, including EAUC, local authorities and regional sustainability networks, to share best practice and support collective climate progress.

Through these actions, UHI Perth will continue to strengthen its progress towards Net Zero, improve environmental performance, and ensure sustainability is integral to decision-making, estate development and the lived experience of staff and students.

Key Priorities for 2026

Planned activities for the coming year include:

- **Implementation of further energy-reduction measures**
- **Development of the Infrastructure Strategy and Statement of Need for SFC**
- **Preparation for annual update of Navigator baseline estate data**
- **Participation in SCIM rollout and process development**
- **Improved data collection on space utilisation and sustainability metrics**
- **Exploration of regional collaboration opportunities**
- **Ongoing activity related to the Financial Recovery Plan, including nursery lease options and car parking charges**

Committee Cover Sheet

Paper No. 6

Name of Committee	Finance and Resources Committee
Subject	HR and OD Update
Date of Committee meeting	08/12/2025
Author	Katy Lees, Director of HR and Organisational Development
Date paper prepared	26/11/2025
Executive Summary Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved	This paper update on a range of HR related matters.
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 checked="" 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)
Risk implications Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk? Authors must identify: (a) the relevant risk(s) from the ERM Risk Register linked to the paper; and (b) the Board-approved risk appetite level for each associated risk.	No Click or tap here to enter text.

Committee Cover Sheet

<p>If yes, please provide details</p>	
<p>Strategic Impact</p> <p>Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf</p> <p>If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.</p>	<p>N/A</p>
<p>Resource implications</p> <p>Does this activity/proposal require the use of College resources to implement?</p> <p>If yes, please provide details.</p>	<p>Yes</p> <p>If the national job evaluation project continues to stage 2 there will be a resource requirement within HR to support the coordination of the process, supporting the updating of all of the job descriptions, reviewing with staff, outcomes and appeals, and the calculating back pay (that in itself is going to take months and manually done when that part of the project comes on board)</p>
<p>Equality & Diversity</p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p>Data Protection</p> <p>Does this activity/proposal require a Data Protection Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<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>

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

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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

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

Finance and Resources Committee HR&OD Update

National Job Evaluation Scheme

No update since the last meeting.

National Bargaining

The proposed three year pay deal for Support staff from September 25/26 has been out to ballot and we are currently awaiting the outcome. If agreed, the aim is to pay salaries including the pay award to current staff in January and then backpay in February. The main terms of the offer are:

- **Year 1 – 1 September 2025 – 31 August 2026**

A consolidated award of **4.25%**, on all salary points for support staff, with an underpin of £1,150 for salaries up to £27,000, effective from 1 September 2025.

- **Year 2 – 1 September 2026 – 31 August 2027**

A consolidated award of **3.4%**, on all salary points for support staff, effective from 1 September 2026.

- **Year 3 – 1 September 2027 – 31 August 2028**

A consolidated award of **3.0%** on all salary points for support staff, effective from 1 September 2027.

This equates to an **11%** cumulative increase over the three-year period.

Employee Relations

The College has no Employment Tribunal claims. However, there are several employee relations issues that the HR team is supporting.

Trade Union Relations

UNISON – We continue not to have any local trained TU reps representing Unison, however we are getting good engagement with the national officers as required.

EIS-FELA – We continue to have good dialogue with EIS-FELA on individual matters raised by members and on wider national issues as they arise.

Voluntary Severance

As part of the financial recovery plan proposals, employees have taken voluntary severance from the following posts and left by 30 November:

- Director of HR and OD
- Director of Information Services
- ASW General Manager
- Process Improvement Manager
- Estates Officer

There is no open VS window at the current time. If a future window does open it has been indicated that it will be in targeted areas only and our current scheme is only approved until the end of January 2026.

Equality and Diversity

A draft version of the Pay Gap Report for 2026 and the Gender Equality review has been submitted for review by the SLT. Our EDI advisor continues to work on an action plan to identify priorities for our National Equality Outcomes and has re-energised our EDI champion group.

There is a need for new ToR for the EDI Committee from January 2026 due to the departure of the chair of the committee.

Sickness Absence

Sickness data is not available due to staff sickness within the HR department.

Stress Survey

The next stress survey has been set up to take place in January 2026. Due to the departure of the Director of HR and Organisational Development, responsibilities for stress management have now been passed to the Director of Learning Strategies, Enhancement and Resources along with Health and Safety. No further updates in these areas will be provided in this report.

Health Surveillance

We are aiming to arrange for Occupational Health to come to the campus twice per year to conduct health surveillance for required staff.

Professional Reviews

Professional Reviews need to be completed by 16 January 2026.

Organisation Development

No significant updates.

Procurement

In recent months the HR department has extended UHI Perth's contract to undertake the TQFE (Teaching Qualification in Further Education).

Reporting

We completed our submission for the HESA (Higher Education Statistics Agency) return and are currently waiting for a request from College Employers Scotland on job evaluation.

Committee Cover Sheet

Paper No. 7

Name of Committee	Finance and Resource Committee
Subject	Digital Transformation Update
Date of Committee meeting	08/12/2025
Author	Dr David G Gourley – Director of Learning Strategies. Enhancement & Resources
Date paper prepared	01/12/2025
Executive Summary Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved	UHI Perth is taking proactive steps to position itself as a leader in responsible and effective adoption of AI and digital tools. The institution is investing in staff capability, improving operational efficiency and preparing learners for an AI-enabled future, while developing governance structures to manage risk and ethical implications.
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 type="checkbox"/> For information <input checked="" 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)
Risk implications Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk? Authors must identify: (a) the relevant risk(s) from the ERM Risk Register linked to the paper; and (b) the Board-approved risk appetite level for each associated risk.	No Click or tap here to enter text.

Committee Cover Sheet

<p>If yes, please provide details</p>	
<p>Strategic Impact</p> <p>Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf</p> <p>If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.</p>	<p>n/a</p>
<p>Resource implications</p> <p>Does this activity/proposal require the use of College resources to implement?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p>Equality & Diversity</p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p>Data Protection</p> <p>Does this activity/proposal require a Data Protection Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<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>

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"/>
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"/>

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

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and

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

Finance and Resource Committee

Digital Transformation Update - December 2025

Staff changes

On the 17th of September David Gourley Director of Learning Strategies, Enhancement and Resources took on responsibility for the digital, reprographics and library teams.

Generative AI and Digital Transformation

Generative Artificial Intelligence (GenAI) is reshaping teaching, learning and the wider world of work. AI technologies are already transforming assessment practices, administrative efficiency, skills demands, and curriculum expectations. UHI Perth must adapt rapidly to prepare learners for an AI-enabled future and to ensure that staff have the confidence and capability to use AI responsibly and effectively. AI is already driving significant disruption in industry, with jobs changing, some roles disappearing and new ones emerging. This shift requires UHI Perth to focus in on AI capability, skills development and ethical governance.

AI offers substantial potential to improve learning and support personalised educational experiences. AI-powered tools can enable customised learning pathways that respond to individual students' needs, enhance engagement, and track progress through predictive analytics. AI can streamline lesson preparation, reducing time required for planning and resource creation and supporting more varied, accessible and creative learning materials.

AI also enables more authentic assessment practices. Redesigning assessment to focus on real-world application, creativity, critical thinking and process rather than memorisation aligns to future skills requirements. Authentic assessment fosters deeper learning and improved engagement in meaningful, real-life tasks.

As a Tertiary Educational Institute, we need to ensure we are preparing students for an AI-powered Workforce. Essential skills for the AI era include analytical judgment, flexibility, emotional intelligence, creativity, bias detection, intellectual curiosity and prompt engineering. Students also need technical skills, data literacy, critical thinking and ethical understanding to succeed in future employment. Embedding AI capability across curriculum areas will ensure graduates are work-ready and regionally competitive. However there is a risk of students becoming deskilled in communication, summarisation, research and deep thinking if AI is over-used.

AI brings significant challenges that must be addressed through clear governance and policy structures. AI-powered writing tools increase risks of plagiarism, authorship concerns and academic misconduct. Traditional assessment formats may no longer be fit for purpose and UHI Perth needs to support its staff for developing a mindset for change and innovation in an AI era. AI systems can reinforce societal bias through their training data, leading to unfair outcomes. Ethical consideration must be central to deployment and staff and student must be developed so they understand the implications of using AI fully. AI tools require significant data handling and carry GDPR and cyber-security risks which we need to train our staff and students in. AI could contribute to workforce displacement and this is already creating anxiety among

staff. To address these challenges and opportunities, staff must be supported to experiment and develop skills and confidence. Structured professional learning, workshops, and communities of practice are required. Encouraging experimentation helps staff understand AI capabilities and limitations.

Students must also develop capability to use AI responsibly, critically evaluate outputs, and understand ethics and bias. This aligns with the need to prepare students for an AI-driven future.

TeacherMatic Pilot

UHiL Perth is currently undergoing a Pilot of AI Software TeacherMatic. This is an AI-powered platform designed specifically for education — for teachers, lecturers, administrators and provides a large “toolkit” of AI generators: more than 150 distinct generators covering a wide range of educational tasks — lesson planning, schemes of work, quizzes and exams (e.g. MCQs), rubrics, feedback, glossaries, worksheets, classroom questions, as well as administrative and governance resources like reports, communications, policies, HR documents and more.

To use it a lecturer or staff member simply inputs a topic or task, and the AI generates a fully formed resource (lesson plan, quiz, worksheet, etc.) almost instantly — reducing what could otherwise take hours of research and preparation down to minutes

The platform is designed with education-specific requirements in mind: its outputs are mapped to curriculum frameworks or qualification standards (for example aligning with assessment bodies, learning outcomes, inclusion of different learner needs, differentiated instruction, and pedagogical best practice). Currently over the last 12 months with 107 academic staff piloting the software it is estimated that it has saved over 2300 staff hours, at a cost of £3K.

Digital Skills Training

A comprehensive programme of Digital Skills Workshops were delivered from 30 September – 20 November 2025, offering practical training on a range of Microsoft 365 tools, Brightspace features, and AI solutions including ChatGPT, Copilot, and TeacherMatic.

These one-hour sessions support staff in adopting digital tools to improve productivity, reduce workload, and enhance digital teaching and learning practices. Workshops include:

- MS Planner
- MS Whiteboard
- Copilot in Outlook
- Outlook productivity tips
- Brightspace Drop-in and Brightspace tips sessions
- TeacherMatic introduction and hands-on training
- Copilot / ChatGPT practical session
- Power Automate
- MS Bookings
- Digital Wellbeing
- MS Forms

These sessions provide structured opportunities to explore emerging tools, experiment in a supported environment, and build digital proficiency aligned to professional needs and strategic direction.

To complement the longer workshop programme, a series of 15–20 minute bite-size sessions were also run. These short targeted sessions provide rapid training on specific features or tools that can be immediately applied in practice.

Topics include:

- TeacherMatic (quizzes, lesson plans, overview)
- Brightspace (announcements, content upload, quizzes, discussions)
- AI in Outlook & Teams (Copilot)
- MS Word, Excel and PowerPoint efficiency tips
- MS Planner
- Power Automate basics

These sessions enable flexible participation, accessible continuous development and sustainable skill-building embedded within existing workloads.

This programme directly supports priorities including:

- Upskilling staff in generative AI, improving confidence and capability in tools such as Copilot, ChatGPT and TeacherMatic.
- Reducing workload pressures through efficiency, automation and smarter digital practices.
- Enhancing digital pedagogy and aligning with emerging assessment approaches influenced by AI.
- Strengthening staff digital wellbeing, with dedicated training on managing digital overload and balanced technology use.
- Supporting authentic learning and assessment redesign, including the creation of inclusive and engaging resources.

Next Steps

- Increase access to AI training resources, including ethical use guidance and best practice examples.
- Continue to review attendance and feedback to refine future sessions.
- Expand support for authentic assessment approaches and curriculum development integrating AI.
- Develop AI skill pathways aligned to role profiles and sector benchmarks.

The continued development of digital skills is essential to workforce readiness, learner experience enhancement and strategic transformation in response to rapid AI and technology change. The current programme represents a significant and proactive investment in staff capability, positioning UHI Perth as a leading institution in responsible and effective adoption of emerging digital tools

Equality Diversity and Inclusion Team (EDIT)

Minute

Date and time: Thursday 25 September 2025, 9.30 am

Location: MS Teams / Rm 019

Members present: Katy Lees (KFL), Director of HR & OD (Chair)
Ben Myles (BM), EDI Advisor
Andi Garrity (AG), HISA Perth President
Scott Innes (SI), EIS-FELA Rep
Lynn Murray (LM), Depute Principal, Operations
Ian Bow (IB), HS&W Adviser

Apologies: David Gourley (DG), Director of Learning Strategies, Enhancement and Resources
Gerald McLaughlin (GM), Student Experience Manager
Nicky Inglis

In Attendance: N/A

Chair: Katy Lees (KFL), Director of HR & OD

Note Taker: Isobel Syme

Minute

Item	Action
1. Welcome and Apologies KFL welcomed all to the meeting. Apologies were noted.	
2. Additions to the Agenda for AOCB None.	
3. Minute of Previous Meeting (Paper 1)	

Item	Action
<p>The minute of the meeting held on 23 May 2025, having been previously circulated, was approved, as a true and accurate record of discussions.</p>	
<p>4. Review of actions from previous meeting / Matters arising that are <u>not included elsewhere on the agenda</u>:</p> <p>N/A</p>	
<p>5. EDIT Meetings:</p> <p>Format (on-line/hybrid) – format of future meetings discussed by the group. It was agreed to continue to do hybrid.</p> <p>Membership – discussed and agreed.</p> <p>ToR - The ToR will need to change again in February 2026.</p>	
<p>6. Update on Brahan Lift</p> <p>LM updated on current status - now in the testing phase, looking at 15 October for date of completion, delay due to architraves not being included in the initial contract.</p> <p>Discussion took place regarding the possibility of lift keys for use of the lift. Challenges to this discussed.</p>	
<p>7. Draft EDI Policy</p> <p>BM updated the group and highlighted key changes made to the policy including new definitions, approaches and examples. The policy will then go to trade unions for approval and then on to PLG.</p> <p>Any further feedback to BM by 10 October 2025.</p>	<p>All</p>
<p>8. Trade Union Items</p> <p>N/A</p>	
<p>9. Supreme Court Ruling update</p> <p>BM provided an update to the group which included:</p> <ul style="list-style-type: none"> • No changes to our approach to trans inclusion at this time • EHRC consultation now complete, with over 50,000 responses; we submitted our concerns about the lack of 	

Item	Action
<p>clarity in the guidance – it focuses on how to legally <i>exclude</i>, not how to legally <i>include</i></p> <ul style="list-style-type: none"> • Concerns raised around consultation process (use of AI to screen submissions in short timescale, still perceived to be ‘rushed’ for such high-impact process) - EHRC replied to FOI request to say they won’t share findings of consultation or information about AI usage until the CoP is approved • CoP submitted to Minister for Women and Equalities on 5th September • Discussions about whether the CoP will be debated in parliament or passed into law without consultation (through ministerial approval); push from LGBT+ organisations and some MPs for parliamentary scrutiny • Good Law Project court date in November to challenge legality of interim guidance – we have not been using interim guidance, not statutory and aware that legal challenges were likely to arise • Victoria McCloud ECHR court case progressing • Once statutory guidance is produced, we will develop approach and take legal advice as appropriate <p>Single sex spaces – one issue in ASW. To be checked.</p>	<p>LM</p>
<p>10. Equality, Diversity & Inclusion Adviser Update</p> <p>EDI Report – summary of all the work done over the last year now available.</p> <p>Bystander Intervention Training – lot of themes on fostering feelings of safety on campus. Training had positive feedback from colleagues who attended and 2 new sessions planned in October and November.</p> <p>Ciphr EDI Data Capturing – Ciphr being updated to capture EDI data more effectively – streamlining the questions into one section, once complete will ask all colleagues to check for accuracy and update.</p> <p>EDI Champions – Teams channel set up, champions to be added this week and vote on availability for first meeting; will put further information about joining on PerthHub.</p>	

Item	Action
Mainstreaming – first PSED meeting this afternoon with partners and SFC, to look at areas for collaborative working where there are shared NEOs.	
11. EDIT Members Updates – <i>any other items not included elsewhere on the Agenda</i> N/A	
12. AOCB N/A	
13. Date of Next Meeting: Next meeting will take place on Thursday 20 November 2025	
Meeting finished at: 10.01 am	

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Perth Staff Group

Minute

Date and time: Thursday 4 September 2025, 3.00pm

Location: Room 019 and MS Teams

Members present: Becky Angus (BA), Cindy Choquet (CC), Katy Lees (KFL), Kieran Thompson (KT), Sarah-Jane Urquhart (SJU), Scott Innes (SI), Susan Johnstone (SJ), Suzanne Miller (SM), Vickie Johnstone (VJ)

Apologies: Emma Stewart (ES), Lisa Findlay (LF), Sarah Wilson (SW), Isobel Syme (IS), Roanna Stewart (RS), Christine Paton (CP), June Wilson (JW), Les Hutchison (LH), Rhona MacLuskey (RM), Veronica McIlldowie (VM)

In attendance: Ian Bow (IB), Health, Safety & Wellbeing Adviser for Item 5
Richard Fyfe (RF) for Sarah Wilson
Lindsey Brown (LB) for Christine Paton

Chair: Lynn Murray (LM), Depute Principal Operations

Note Taker: Carolyn Sweeney-Wilson, PA to SLT (CSW)

Minute

Item	Action
<p>1. Welcome and Apologies</p> <p>LM welcomed all to the meeting.</p> <p>Apologies were noted.</p> <p>LM indicated that JW had advised she would be stepping down from PSG and PSG members recorded their thanks to JW.</p>	
<p>2. Additions to the Agenda for AOCB</p> <p>Bank staff – KT Staff that are leaving – KT Driving for Work Policy – KT Marketing update – VJ</p>	

Item	Action
<p>3. Minute of Previous Meeting (Paper 1)</p> <p>The minute of the Perth Staff Group meeting held on 11 June 2025, was approved as an accurate reflection of the discussions that had taken place.</p>	
<p>4. Matters arising <u>not included elsewhere on the agenda</u> / review of actions from previous meeting:</p> <p>Health and Safety Folders for all Teams: IB advised there were still 4 areas that needed to be set-up, others were in progress. Item recorded as completed.</p> <p>Health and Safety Training Needs: IB advised he had received no feedback on anything departments required, but had received some requests for Risk Assessors (RAs). IB had identified 9 areas without competent RAs, but had not received any requests from departments for RAs training.</p> <p>LM asked staff to take this back to their teams.</p> <p>IB said he would speak to the responsible manager for the areas he's identified.</p> <p>Professional Review Forms – feedback: Item recorded as completed.</p> <p>Professional Services Organisational Chart: KFL advised this was still being reviewed by HR.</p> <p>Harassment Notices – alternative wording: KFL confirmed that LF had provided a form of words for this notice, but she had not had authorisation from PLG to go ahead with this. KFL will liaise with Marketing further regarding this. This item to be taken off the action list.</p> <p>Frequency of PSG Meetings: LM noted that it had been agreed at the last meeting for PSG to meet every 2 months. CSW confirmed that the diary entries had been adjusted, commencing with this meeting.</p>	<p>All</p> <p>IB</p> <p>KFL</p>
<p>5. Health, Safety and Wellbeing</p> <p>H&S Audit Programme for the Academic Year: IB advised this would be presented to the HSC at their meeting on 18th September. IB advised he was intending that the high and medium risk areas be re-audited.</p>	

Item	Action
<p>Department H&S SharePoint areas: IB explained that he needed access to the Department SharePoint areas to view the completeness of departments' H&S documents. He had reviewed some of areas and said some needed revised.</p> <p>IB reminded departmental managers that all Risk Assessments (RA) needed to be regularly reviewed and asked that departments keep their H&S folders up-to-date.</p> <p>DSE Risk Assessment Compliance: IB reviewed DSEs across campus and noted they were not always completed, meaning issues might not have been identified. If it was beyond a manager's scope, IB attended and reviewed staff work areas. DSE risk assessments and actions were recorded on CiPHR, showing the College acknowledged these responsibilities. The same process applied to homeworking, as the College had a duty to ensure work areas on campus and at home were safe.</p> <p>Workplace Inspection Checklist: A checklist was supposed to be completed each semester, but many were not done, and IB was not always informed. For due diligence, IB requested these be carried out, with any negative findings recorded on TrackPlan.</p> <p>In-House Training: IB provided training in general risk assessments, manual handling, working at height, and COSHH for hazardous substances.</p> <p>Personal Emergency Evacuation Plans (PEEPs): No reviews or requests were received from employees. Staff and students were offered PEEPs and it was recorded whether these were required or declined.</p>	
<p>6. PLG Actions Summary & SLT Key Matters Update from 29th April 2025</p> <p>Financial Recovery Plan (FRP): LM advised the main focus had been the FRP. The baseline budget showed significant deficits and the SFC requested a recovery plan, which had been worked on over the summer and approved by the Board the previous week. The FRP was then sent to UHI EO as RSB (Regional Strategic Body) but feedback had not yet been received. Once approved, it would go to SFC. Actions focused on income growth and cost savings. Growth in HE student numbers is an essential element and CE asked everyone to do whatever they could to support recruitment and</p>	

Item	Action
<p>retention. Contract staff spending was another major issue, with CE asking managers to review and reduce reliance.</p> <p>Bank Staff Concerns: KT raised concerns that staff had been instructed not to use bank staff, leaving classes without cover. KT explained their department already had a deficit of hours and needed additional bank staff, yet adverts were live while existing bank staff were being cancelled. KT suggested a period of grace while this was resolved.</p> <p>LM said CE had met with SMs and any exceptions would be reviewed and agreed by CE.</p> <p>KFL confirmed that staff who had worked would be paid.</p> <p>SI stressed the need for better systems to track module numbers and processes to avoid such situations.</p> <p>KT and RF raised concerns about the blanket approach to bank staff, the lack of consultation and the negative impact on staff and HR.</p> <p>Staff Leaving: KT expressed concern over staff departures and lack of communication, noting it contributed to a culture of fear and uncertainty about job security.</p> <p>LM confirmed Jill Martin, Director of Information Services had left and KFL would leave at the end of November.</p> <p>SI explained there had been consultation with TUs and individual members of staff and that it was up to individuals whether their departure was made public.</p> <p>KT stressed that perceived secrecy created distrust and affected staff wellbeing.</p> <p>LM said she would feedback these concerns to SLT/PLG.</p>	<p>LM</p>
<p>7. Staff Development</p> <p>LM explained that staff development had been affected by budget cuts due to the recovery plan.</p> <p>SI suggested Staff Conference Days (SCD) could be used for informal conversations/sharing of information, as these often provided valuable learning and could be considered CPD.</p>	

Item	Action
<p>KFL noted that the next two SCDs were Director-led, allowing teams to focus on their own needs, but requests often came through for departmental budgets rather than cross-college needs. She explained that CPD had been built into Professional Reviews and encouraged staff to identify training needs at both team and college-wide levels. This could allow for economies of scale, such as bringing in trainers for larger events.</p> <p>LM asked that staff continue these discussions within teams, while KFL stressed the importance of feeding this into the Professional Review process.</p> <p>KT asked about opportunities for inter-departmental CPD rather than relying on external provision and LM encouraged teams to take this forward.</p> <p>RF highlighted that internal CPD was offered but still carried hidden costs.</p> <p>In response to a comment about internal training not costing the College anything, KFL confirmed that internal training programmes were charged to the HR budget.</p>	
<p>8. Annual Review of ToR and Membership</p> <p>LM confirmed the change in meeting frequency from every month to every two months would need to be updated in the ToR.</p> <p>Membership: It was noted the Student Experience are need another member. BA said she would discuss this with the team.</p> <p>PSG AGREED the ToR, subject to the amendments discussed.</p>	<p>BA</p>
<p>9. Staff/Student Activities</p> <p>LB reported that activities at ASW were going well, both commercially and through the Active Campus. There had been 402 students on organised tours, with a significant increase in staff involvement, compared to the previous year when activity had been limited. By the end of August, there were 457 staff/student memberships, and 156 individuals had engaged with Active Campus.</p> <p>LB explained that the Active Campus role supported student activity and could contribute to retention. She had also been exploring initiatives with the student team to support mental health.</p>	

Item	Action
<p>LM suggested LB attend the next Operational Group meeting and SI agreed to pass on a message for her to be invited to speak with SMs and SLs at this meeting.</p> <p>BA recommended LB connect with the Student Support Worker, who monitored BRAG, to identify students who could benefit from wellbeing support and RF suggested also linking with HISA.</p>	
<p>10. AOCB</p> <p>Driving for Work Policy: KT asked if this was a new policy.</p> <p>KFL confirmed it was already a Health & Safety policy.</p> <p>KT highlighted that section 5.9 required all staff to hold the correct licence category and a MIDAS certificate, which was not required by law and not requested by the College's insurance. While acknowledging MIDAS as good practice, KT questioned its value, stating it did not provide more competence than DVLA training and proposed its removal to save money.</p> <p>KFL explained that MIDAS had been reviewed by HSC the previous academic year and, while removal had been proposed, it was rejected by HSC. She confirmed that HSC were the decision makers and that she would raise the matter again at the next meeting.</p> <p>Marketing update: VJ advised a department member was now on maternity leave so the team would be short staffed and wanted people to be aware of this when requesting support.</p>	<p>KFL</p>
<p>11. Date and Time of Next Meeting: Tuesday 5 November at 3 pm</p>	
<p>Meeting ended at: 16.13</p>	

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JNC for Support Staff

Note of Meeting held on Thursday 23 October 2025, 1.30pm, Rm 019/MS Teams

Present: **Management Representatives**
Lynn Murray (LM), Depute Principal Operations

Unison Support Staff Representatives
Deborah Smith (DS), Unison Area Organiser

In Attendance: Fiona Cameron (FC), Interim Director of Finance

Apologies: Catherine Etri (CM), Interim Principal
Janet Stewart (JS), Unison Regional Organiser

Chair: Katy Lees (KFL), Director of HR & OD

Note Taker: Carolyn Sweeney-Wilson (CSW)

Minute

		ACTION
1.	<p>Welcome and Apologies</p> <p>KFL welcomed everyone to the JNC for Support Staff meeting.</p> <p>Apologies were noted.</p>	
2.	<p>Finance Update / Financial Planning</p> <p>LM gave a summary of the College's financial position. The College was working on the AY2024-25 financial statements and the Auditors were on site at that time. The forecast presented at the previous JNC meeting had indicated a deficit of £1.8M; however, LM believed that this figure might be lower.</p> <p>The Financial Recovery Plan (FRP) had been prepared and approved by the Board of Management in August. It was subsequently submitted to the UHI RSB and shared with the SFC. Formal feedback from the SFC had not yet been received and was still awaited. Once the FRP had been approved, the College would share it with the Leadership Group first, followed by the Trade Unions.</p>	

		ACTION
	<p>Unison had been made aware of the proposals for staff in AY2025-26, on which they had been consulted. LM advised that there were no further changes to report regarding staffing proposals.</p> <p>DS commented that it was positive to hear the deficit might be smaller than previously estimated and confirmed that Unison had been kept informed of the staffing proposals.</p>	
3.	<p>Additions to the Agenda for AOCB</p> <p>DS – UHI Transformation</p>	
4.	<p>Minute of the last Meeting (Paper 1)</p> <p>The minute of the JNC for Support Staff meeting held on 13 June 2025, having been circulated, was approved as an accurate reflection of the discussions that had taken place.</p>	
5.	<p>Review of Actions / Matters arising not included elsewhere on the Agenda</p> <p>None.</p>	
6.	<p>Health, Safety and Wellbeing</p> <p>KFL advised that a Staff Stress Survey would be carried out again in January 2026. In 2025, the College had used the HSE stress indicator tool, which had allowed there to be a comparison itself with other public bodies. The HSE had published data on these responses and the College had been positioned around the midpoint.</p> <p>LM spoke about the Risk Register and noted that workforce-related issues represented the greatest risk for the College. As a result, it had been agreed that Team Stress Risk Assessments (RAs) would be carried out across the organisation, and that Individual workload assessments would form part of Professional Reviews.</p> <p>KFL clarified that the College was using the HSE “Stress Talking Toolkits,” which were designed to help managers hold conversations with employees as part of the overall approach to preventing and managing work-related stress. All completed Team Stress RAs are being sent to the College’s Health, Safety and Wellbeing Adviser (HS&WA) for review to see if there are any trends etc.</p>	
7.	<p>Policies & Procedures Approval</p> <p>There were no Policies or Procedures requiring approval at this meeting.</p>	

		ACTION
	<p>KFL advised that the next meeting of the Policies and Procedures Group would take place next week, when there would be 9 documents for review and sign-off.</p>	
<p>8.</p>	<p>Support Staff Contracts</p> <p>KFL confirmed that this item was in relation to the templates for the support staff contracts and HR had been liaising with JS with regard to these.</p> <p>DS said she was waiting on approval notification from JS and confirmed she would send a reminder to JS to provide this. (Action: DS).</p>	<p>DS - completed</p>
<p>9.</p>	<p>AOCB</p> <p><u>Transformation Project:</u> DS advised that there had been a gap, from Unison’s perspective, in relation to this project and asked the College JNC members to provide an update on progress, particularly regarding how UHI Perth staff were feeling about the project.</p> <p>LM explained that the overall objective was to reach a Full Business Case (FBC) by the end of December. LM’s impression was that there appeared to be a general lack of understanding from EO regarding what was required to complete the FBC, as well as instances of information being requested from College staff at short notice. A general discussion followed on how UHI Perth staff felt about the project and on the unions’ views in this regard. It was noted that, from Unison’s perspective, there had been limited involvement in the project to date. DS subsequently shared some of Unison’s concerns about the process.</p> <p><u>Unison College Reps:</u> LM asked about Unison’s position regarding the reinstatement of local Trade Union Representatives within the College.</p> <p>DS advised that UHI Perth would remain under regional supervision control until the next AGM, after which it would return to individual college control. Unison was in the process of recruiting local representatives; however, no applications had yet been received from UHI Perth staff. DS added that progress was being made and that the Trade Union was in a more positive position moving forward.</p> <p><u>Chair Leaving:</u> LM noted that KFL would be leaving the College at the end of November and wished to record the Committee’s thanks to KFL for ably chairing the JNC meetings over the years.</p>	

		ACTION
10.	Date and time of next meetings: <ul style="list-style-type: none">• 4 December 2025 All meetings are on Thursdays, 13.30-15.00	
	Meeting End Time: 14.00	

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DRAFT

JNC for Lecturers

Note of Meeting held on Thursday 30 October 2025, 1.30pm, Room 019/MS Teams

Present: **Management Representatives**
Catherine Etri (CE), Interim Principal
Lynn Murray (LM), Depute Principal Operations

EIS FELA Representatives
Callum McCormick (CM)
Scott Innes (SI)

In Attendance: N/A

Apologies: N/A

Chair: Katy Lees (KFL), Director of HR & OD

Note Taker: Carolyn Sweeney-Wilson

Minute

Item		ACTION
1.	<p>Welcome and Apologies</p> <p>KFL welcomed everyone to this meeting.</p> <p>There were no apologies.</p>	
2.	<p>Financial Planning / Finance Update</p> <p>LM referred to the unaudited 2024/25 financial figures, noting that the financial position had improved on that previously reported, but couldn't provide final figures until the audit was completed.</p> <p>The FRP was approved by the UHI Perth Board of Management on 27 August and then sent to EO as Regional Strategic Body. EO provided comments and passed it on to SFC, who had recently given feedback requesting assurance about delivery timelines and risks. The FRP figures will now be incorporated into the budget.</p> <p>The baseline budget for 2025/26 projected a £2.4m deficit, with forecasts of £3.3m for 2026/27 and £3.9m for 2027/28. The FRP forecasted a breakeven position over the three-year period from 2025/26 to 31 July 2028.</p>	

Item		ACTION
	<p>SI asked whether Management would be able to share deficit reduction details by the next JNC.</p> <p>LM explained that the first monitoring covered August and September, with reporting due in mid-November. As the Finance team was new and fully occupied with 2024/25 audit, progress was slower than hoped, but monthly forecasting would follow.</p> <p>CE noted that the FRP monitoring group was a Board committee, with its next meeting scheduled for December.</p>	
3.	<p>Additions to the Agenda for AOCB</p> <p>KFL – GTCS Registration.</p>	
4.	<p>Minute of Previous Meeting (Paper 1)</p> <p>The minutes of the meetings held on 19 June and 18 August 2025, which had been previously circulated, were approved as an accurate reflection of the discussions that had taken place.</p>	
5.	<p>Review of Actions / Matters arising not included elsewhere on the agenda</p> <p>None.</p>	
6.	<p>Health, Safety and Wellbeing</p> <p>None.</p>	
7.	<p>Policies & Procedures (PPs) Approval (for noting)</p> <p>KFL noted that the J-JNC for Policies/Procedures review had been held yesterday and there would be approximately 9 PPs to be brought to the next JNC.</p> <p>7.1 Updated Family Friendly Guidelines (to include Neonatal and the working week for compassionate leave) - agreed June 2025</p> <p>Noted.</p> <p>7.2 Hybrid Working Guidelines – agreed August 2025</p> <p>Noted.</p>	
8.	<p>Financial Recovery Plan</p> <p>A summarised version of the FRP Implementation Plan was shared and the details were discussed. The College had been on target for</p>	

Item		ACTION
	<p>recruitment numbers, including the additional 50 HE FTE target. There was potential for further International growth following a recent trip to China, with two new institutions expressing interest in working with the College. Other developments included part-time evening and short courses, expanded Estates usage (such as leasing the Nursery and increasing ASW membership income), and staff cost reductions.</p> <p>It was planned for further efficiencies being achieved through integrating HR and Payroll into CiPHR, noting that there would be a cost of implementing this, improving invigilator use, which would require a review of PLSPs as, going forward, the plan would not be to provide 1-on-1 Invigilators and rooms for students.</p> <p>Non-staff cost reductions included savings on mobile phone contracts, photocopying, software licences, ICT equipment and various Estates expenses. Reductions in HR costs were also planned, including less spending on training, job boards, legal fees, and consultancy. The curriculum remained a net receiver under the MicroRAM and there were also discussions about the future of the Centre for Mountain Studies (CMS). PLG members now held copies of the FRP Implementation Plan spreadsheet which they would discuss with their respective teams.</p> <p>SI noted that some changes, such as print credits, SL contracts and parking charges, had not been communicated to staff and requested this information be shared promptly. He suggested a short update session at the February Staff Conference Day to reassure staff and encourage engagement with the plan.</p> <p>LM and CE agreed that monthly staff communications, which had previously stopped, should resume. PLG would provide updates and would be circulated by the PAs to SLT.</p> <p>CM and SI agreed that changes like the print charge cap should be communicated in advance of implementation as many staff had not known about this.</p> <p>CE also confirmed that SL contract extensions up to next year had been approved and she had previously asked Directors to inform their teams of this.</p>	
<p>9.</p>	<p>EIS Items:</p> <p>9.1 Perminisation Joint Referral – update on progress</p> <p>SI noted that KFL had just share the document in regard to this item and that the EIS Reps would look at this and feedback any comments to KFL.</p>	

Item		ACTION
9.2	<p>Complaints Process – update on progress</p> <p>SI said EIS Reps had not heard any further details about the progress on this process.</p> <p>KFL said this process was sitting with the Director of LSER. A review of the process had been carried out and flowcharts had been completed. However, there was still some work to do on this and this was being raised with the Director of LSER.</p>	
9.3	<p>TOIL Policy – update</p> <p>SI requested an update on this Policy.</p> <p>KFL said the Academic TOIL Policy had not been published yet and KFL said she still had to progress.</p> <p>Action: KFL and SI to meet to discuss the Academic TOIL Policy.</p>	KFL, SI
9.4	<p>Academic Calendar AY2026-27 (Paper 5)</p> <p>SI said he wished to highlight this, in particular, in regard to the holidays, which he suggested should align with the UHI dates, as this had caused some issues previously when the dates had not aligned with UHI.</p>	
9.5	<p>Calendar Slippage AY2025-26</p> <p>SI referred to the calendar slippage and the loss to the Academic staff of 5 days holiday. He said there were various options for dealing with these 5 days and he wished to discuss this further.</p> <p>Action: KFL and SI to meet to discuss calendar slippage.</p>	KFL, SI
9.6	<p>Plus 1 Cover – concerns over proper application/ implementation</p> <p>SI reported that EIS had raised concerns about the improper use of the Plus 1 cover, noting that some members had been asked to provide cover for periods longer than which the policy was intended. The Plus 1 cover was meant to apply only to short-term absences.</p> <p>CM acknowledged that some managers might be tempted to use it more broadly but emphasised that this went against the national agreement. He stressed the importance of reminding managers that Plus 1 cover was strictly for short-term absence cover to ensure compliance with the agreement.</p>	
9.7	<p>Staffing Changes – dealing with loss of staff with specialist knowledge</p>	

Item		ACTION
	<p>CM highlighted that the loss of staff also meant the loss of specialist knowledge, which was particularly important in certain subject areas where expertise could not easily be replaced by generalists. He noted that if modules requiring such expertise continued, it placed additional pressure on remaining staff who lacked that specialism. CM questioned whether current modules were still appropriate for the staff now in place, rather than those available five years ago and how this could be managed to avoid staff being assigned to teach outside their areas of knowledge.</p> <p>SI added that some managers did not always inform remaining staff in good time that they would need to take over modules once a colleague handed in their notice. This gave the remaining staff very short notice in which to prepare for teaching these specialist subject areas.</p> <p>CE acknowledged the issue, recognising it as a matter of curriculum planning, review and succession planning. She noted that the current situation was particularly challenging due to multiple staff departures occurring simultaneously, making advance planning difficult. CE confirmed that such matters should be addressed as part of the curriculum review process.</p> <p>9.8 UHI Transformation – update</p> <p>CE reported that a presentation for all UHI college staff had been planned, with AP Principals asked to deliver these to their own staff. However, none of the AP Principals had yet seen the presentation, so CE did not know what it contained. She had been advised a representative from EO would attend the meetings to support the Principals and if staff had any questions CE would be referring these to the EO member.</p> <p>EO was continuing to work towards a Full Business Case (FBC), expected to be drafted in December before submission to the SFC. CE noted that participants had been disappointed with the workshops, citing late notification of attendance and a lack of information provided to participants beforehand.</p> <p>SI added that the EIS National Officer had attended many of the meetings and had kept local EIS representatives updated, although UHI EO had invited the trade unions late to the process. He also provided an update on EIS’s shared views across several branches regarding the issues discussed.</p> <p>9.9 Review Date of next JNC Meeting</p> <p>SI noted that, due to today’s meeting being re-scheduled, that meant there was only just over a month to the date of the next scheduled JNC meeting. The question was would it be worth having a meeting</p>	

Item		ACTION
	<p>in December, as there was not likely to be much in the way of new items to discuss and he suggested the next meeting be moved to January instead. He also noted that this delay would also allow the new Depute Principal to attend as they would be in post by then.</p> <p>Action: The date of the next JNC for Lecturers to be moved from December to January/February 2026.</p>	<p>CSW</p>
<p>10.</p>	<p>Other items from Management</p> <p>To be discussed outside of the JNC at a mutually agreeable time.</p> <p>10.1 <u>APD</u></p> <p>Noted.</p> <p>10.2 <u>Job Descriptions</u></p> <p>Noted.</p> <p>10.3 <u>Contract Templates</u></p> <p>Noted.</p>	
<p>11.</p>	<p>AOCB</p> <p><u>GTCS Reg:</u> KFL advised on confirmation today that there was a way forward in terms of encouraging staff to get their GTCS registration in line with the NJNC circular. EIS and the College had looked at timelines and letters would be issued and all was now in hand. There were still some staff who needed to be registered by December, but then the process would commence for the next group of staff in April 2026, with completion by December 2026.</p>	
<p>12.</p>	<p>Date and time of next meeting:</p> <ul style="list-style-type: none"> Date to be confirmed in January or February 2026 <p>All meetings are on Thursdays, 15.15-16.45</p> <p>Meeting End Time: 15.00</p>	

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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.

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FINANCE AND RESOURCES COMMITTEE

Membership

Chair (ex officio).

Vice Chair (ex officio).

Principal (ex officio).

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

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

Depute Principal (Operations)

Director of Human Resources and Organisational Development

Director of Estates

Quorum

The quorum shall be 4 members of which at least 2 to be independent Board of Management 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.
- 17 Review annually the Terms of Reference for the Committee and its composition and make any necessary recommendations for change to Chairs' Committee.

Reviewed: June 2025