

Committee	Board of Management		
Agenda Item	9		
Date paper prepared	26/09/2022	Date of committee meeting	05/10/2022
Subject	Update on UHI		
Author	Jane Lewis & Davie Sandison, Principal & Chair		
Action requested	For discussion		
Purpose of the paper	To update the Board on changes within UHI for review and discussion		
Brief summary of the paper	Outlines the progress on appointment of new VC. Updates on 'One UHI' discussions and work to streamline and integrate the partnership. Invites the Board to discuss from a Shetland perspective.		
Consultation	Two extended meetings including Principals and Chairs. Input from Partnership Council. Input from Shetland Board and SMG to original and later discussions.		
Resource implications	A substantial aim is to reduce the cost of Executive Office to the partnership and through integration increase the efficiency and sustainability of UHI as a whole.		
Risk implications	Failure to reform likely to lead to unsustainable position for the University as a whole.		

Link with strategy	Linked to all parts of the University strategy
Equality, Diversity and Inclusion	Activities and projects will be shaped by this
Island Community Impact	Will need to be assessed throughout this process
Paper status	<input checked="" type="checkbox"/> Open – The paper may be circulated to non-members of the committee and published online without restriction. <input type="checkbox"/> Restricted – The paper must not be circulated to non-members or published online until after the committee meeting. <input type="checkbox"/> Confidential - The paper must not be circulated beyond the committee members and should not be published online. [Please note papers may still be subject to Freedom of Information requests – see below].
Freedom of information	Open If closed/ withheld, select date this will become 'open': Enter a date.

Following a recent court meeting, the following update has been received which provides a summary of activity overseen by court in respect of the appointment of a new VC, the further development of the 'One UHI' strategy – now termed UHI 2024 - and the shape of projects to deliver this change.

UHI partnership update from Chair of Court, Alastair MacColl

Dear colleagues

Following my announcement last week, with reference to Professor Todd Walker leaving his role as UHI Principal and Vice-Chancellor, I would like to update you on several developments.

Firstly, I would like to reassure you that for the foreseeable future you will receive regular communications from your principal, senior members of our team and others, keeping you informed about any significant strategic developments. Communicating more comprehensively and transparently with all those that form the UHI partnership will be a priority.

UHI court [<https://www.uhi.ac.uk/en/about-uhi/governance/court/>] met yesterday to assess our long-term strategy, our plans for improving financial sustainability, and our approach to diversifying and growing UHI income. We also discussed and agreed the next steps we will take in relation to the role of principal and vice-chancellor. I have noted several updates below which will bring you up to date with those positive developments.

The role of principal and vice-chancellor

We will start a process immediately to promptly appoint an interim UHI principal and vice-chancellor. Until this appointment is made, Vicki Nairn, Vice-Principal Operations, will act as accountable officer for UHI for the purposes of all statutory requirements. It is anticipated that the process of appointing a permanent principal and vice-chancellor will begin towards the end of 2023.

Our current position

The current UHI partnership model is financially sub-optimal, with overly complex governance and long-running uncertainties over the roles, responsibilities, and the delegated authority of partners.

As the UHI partnership has evolved over time, the responsibilities of executive office have grown. It has been established as a higher education institution with taught and research degree awarding powers. It has taken on teaching responsibility for some areas of the higher education curriculum. It has also become the regional strategic body for further education. These milestones have changed the statutory and regulatory responsibilities that executive office holds, but little has changed in the way the partnership is structured and how the different organisations within the partnership discharge their responsibilities.

However, there are many achievements that we should all be proud of. Nearly three quarters of our research is ranked as world leading or internationally excellent. Our students rate us first in Scotland for postgraduate and fourth for undergraduate student satisfaction. We have over 33,000 alumni in 78 countries, have actively engaged over 1100 businesses in our curriculum development, and currently have almost 200 donors supporting us. You will also be aware of the proposed merger of UHI Outer Hebrides, UHI North Highland and UHI West Highland, which aims to bring more stability to the partnership.

Having said that, there are significant challenges which we face. With recent and continuing falls in student numbers, and the sector-wide squeeze on funding, significant savings and alternative income sources will be required if the organisation is to flourish.

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Our intention now is to move at pace to respond to those issues and prepare UHI for a positive future - realising the potential of UHI as a unique tertiary institution that has a transformational impact on our region, our economy, our people and our communities. We will do so through prioritising financial sustainability and pioneering more integrated and connected ways of working, which will be supported by simplified governance arrangements and strong devolved decision making at local levels.

UHI court has endorsed a programme of strategic initiatives, developed by all partners working together, known as UHI 2024.

UHI 2024

In June and August 2022, academic partner board chairs and principals, members of the UHI senior executive team, HISA, the chair of the UHI court and representative court members met to discuss how we can create the accelerated change needed to ensure that the UHI partnership can move forwards together, creating an environment where three core principles can be met:

1. Ensuring a consistently high student experience
2. Ensuring the whole partnership is financially sustainable, and creating a surplus that can be used to reinvest in the partnership
3. Ensuring a UHI structure that creates a simplified and truly collaborative partnership, which resolves the 30-year debate between executive office and the partners

Following on from yesterday's meeting, court has approved a series of projects that, when implemented, will fundamentally change the way UHI operates. These projects will commence in January 2023 and will all be completed by the end of the academic year 2023/2024 – with the overarching programme of work being known as 'UHI 2024'.

UHI 2024 will see seven time-bound strategic initiatives implemented by the UHI partnership. We will work together to reduce expenditure and increase and diversify income, simplify our governing structures, and develop and implement a five-year strategic vision:

1. Relevant, cohesive, and cost-efficient tertiary curriculum offering
2. Shared services, and service level agreements for delivery of services from one partner to another
3. Establish a more focused executive office based on stakeholder need
4. Simplified partnership governance structure, with delegated authorities clearly articulated and adhered to
5. Partnership-wide collaborative communications
6. Partnership-wide people and culture plan
7. Vision and strategy for the partnership across a five-year period

The initiatives will be delivered at pace and implemented by the end of the 2023/2024 academic year, but many completing much earlier than this.

Each of the seven strategic initiatives will be led by a member of senior staff identified from across UHI. Through UHI court, academic partner boards and partnership council, the whole partnership will be involved in supporting and facilitating each strategic initiative, with the UHI court being the ultimate owner of UHI 2024 initiatives. There will be a project board that will oversee the work and a programme manager will be brought in to lead UHI 2024. We will also create a SharePoint site to allow staff to follow the progress of the projects.

The programme of strategic initiatives does not include, but aligns with, other significant changes across UHI, including the potential for further mergers, and the commitment to ensure that our partnership is financially sustainable. It is recognised that the specialist academic partners, HTC, SAMS and Sabhal Mòr Ostaig, will participate and engage with the strategic initiatives in ways that reflect their constitutional status.

Engagement strategy

Court discussed and approved a five-year engagement strategy for UHI, and an associated five-year engagement campaign, that will be launched in November 2022. The campaign, called 'Together | Còmhla', supports UHI's strategic plan, and has three main aims:

1. Demonstrating UHI's defining principles and their enduring impact on the region and beyond across three overarching societal challenge themes: sustainability; health; and people and place.
2. Building stakeholder engagement across our nine stakeholder groups: staff, students: future students/schools; donors; alumni; community; business; international; and government and policy makers
3. Seeking critical philanthropic support for UHI's strategic initiatives through launching three new fundraising campaigns: sustainability fund; health fund; and people and place fund

I would like to take this opportunity to thank you all for your hard work, endeavour and patience at a time of considerable change. Further updates will follow as developments occur.

Kind regards

Alastair

In terms of some of this work. Jane will be contributing to project 3 '*Establish a more focused executive office based on stakeholder need*'. Work is progressing to develop a simplified governance structure for UHI with discussions underway to establish a two faculty model for the university. Work is also underway to move to tertiary consideration of the curriculum with single partnership meetings to cover FE and HE portfolios.

The board is invited to review this information and feed into a discussion of our Shetland perspective on these strategic developments.