

**Scottish Funding
Council**

**Review of Shared
Services and
Collaborative
Activities in
Scotland's
Universities**

November 2007



Author & Contact Details

Date: 15 November 2007

Author: Philip Wilson

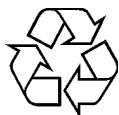
Quality Assured by: Justine Menzies

York Consulting LLP
The Canon Mill
1-3 Canon Street
EDINBURGH
EH3 5HE

Tel: 0131 2706066

Fax: 0131 2706069

Email: philip.wilson@yorkconsulting.co.uk



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EXECUTIVE SUMMARY

Introduction

1. The Scottish Funding Council (SFC) commissioned York Consulting Limited Liability Partnership (YCL) to undertake this review shared services and collaborative activities in the college and university sectors across Scotland.
2. Telephone consultations were undertaken with 19 Scottish universities, 31 colleges and six national stakeholder organisations. This report focuses on the university sector; a separate report covers the college sector.

Key Findings

3. Over 100 examples of shared services and collaborative activities were identified across institutions in the Scottish university sector.
 4. There are some key challenges to expanding shared services which include commercial sensitivity, the handling of VAT, critical mass and the identification of added value.
 5. The majority of shared services are delivered through a joint initiative model or with a lead organisation. Fewer examples of more formal structures were identified such as strategic partnerships or joint ventures.
 6. UK-wide examples which involve the Scottish university sector include JISC, UCAS, HESA and others.
 7. Scotland-wide examples include Advanced Procurement for Universities and Colleges (APUC) and Universities Scotland.
 8. Most of the institution based examples fall into the thematic areas of learning delivery and property/facilities management. There some good examples for student welfare/support/advice, information technology, academic research, information technology and procurement. There were fewer examples in the areas of human resources, finance, market research/marketing and board member/staff training.
 9. There are good examples of collaboration outside of the university sector with colleges, local authorities and the private sector.
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1 INTRODUCTION AND PREVIOUS STUDIES

- 1.1 The aim of this study was to review shared services and collaborative activities in the college and university sectors across Scotland. The Scottish Funding Council (SFC) commissioned York Consulting Limited Liability Partnership (YCL) to undertake this review in September 2007.
- 1.2 The purpose of this report, which focuses on the university sector, is to share the review findings with the SFC, Scottish Government, sector stakeholders and institutions themselves. A parallel report covers shared services and collaborative activities across the Scottish college sector, although many examples of colleges and universities working together have been included in the report.

Background and context

- 1.3 This review adds to the body of knowledge on shared services in the university sector, in particular, the recent study¹ undertaken by the Higher Education Funding Council for England (HEFCE) covering shared services across the UK university sector (see box over the page for details).

¹ Shared services in the higher education sector, for HEFCE by KPMG, 2006
http://www.hefce.ac.uk/pubs/RDreports/2006/rd15_06/rd15_06.doc

Shared Services in the Higher Education Sector, 2006

This report, commissioned by Higher Education Funding Council for England (HEFCE) and undertaken by KPMG, highlights a number of examples and key issues relevant to England and the UK more widely:

- “Universities and other higher education institutions (HEIs) are already co-operating in a wide range and number of areas to achieve significant savings and improvements in performance.”
- “Collaboration ranges from national organisations providing particular services, through to local examples of collaboration either on particular issues or a range of services, to collaboration on procurement.”
- “There is potential for HEIs to secure sustainable efficiencies (including both economic benefits and service improvements) where they are not in direct competition. This is not just through sharing support functions, but through considering the wider range of areas where there is collaboration.”
- “The fact that VAT is irrecoverable on outsourced shared services is a major barrier to realising this potential.”
- “The impetus for moving towards sharing additional services must come from the institutions themselves. HEFCE has a key role to help facilitate this process, specifically to:
 - explore with existing national providers whether they see opportunities to create additional shared services and to better quantify existing benefits.
 - establish whether “bottom-up” solutions can be further promoted.
 - explore whether the higher education sector could use existing shared service providers.
 - identify whether any new shared services approaches could be implemented in the sector.”

Public sector efficiency

- 1.4 The Efficient Government Initiative (EGI) announced in June 2004 was seen as Scotland's response to Sir Peter Gershon's review of public sector efficiency². Savings were to be achieved by means of: moving resources away from 'back office' to frontline services; greater productivity; continuous service improvement; and, cash and time efficiencies. This is summed up as being directed at "*one goal – demonstrably improving the experience of users of public services. Every pound that is used inefficiently is a lost opportunity to provide better public services*"³.
- 1.5 Groups have been established across the college and university sectors in Scotland to oversee their responses to EGI:
- the **Universities Scotland Efficient Government Group** chaired by Sir Muir Russell, Principal at the University of Glasgow. Two groups have taken forward work on reviewing business processes and shared services;
 - the **Efficient Government Initiative Group** chaired by Linda McKay, Principal of Forth Valley Forth Valley College, advises the Association of Scotland's Colleges (ASC) on all aspects of policy relating to EGI. One sub-group exists which looks at business process improvements.

Definition

- 1.6 The HEFCE report⁴ defines shared services as, "*a model of providing services in a combined or collaborative function, sharing processes and technology*". We have taken this as our starting point for identifying relevant activities.

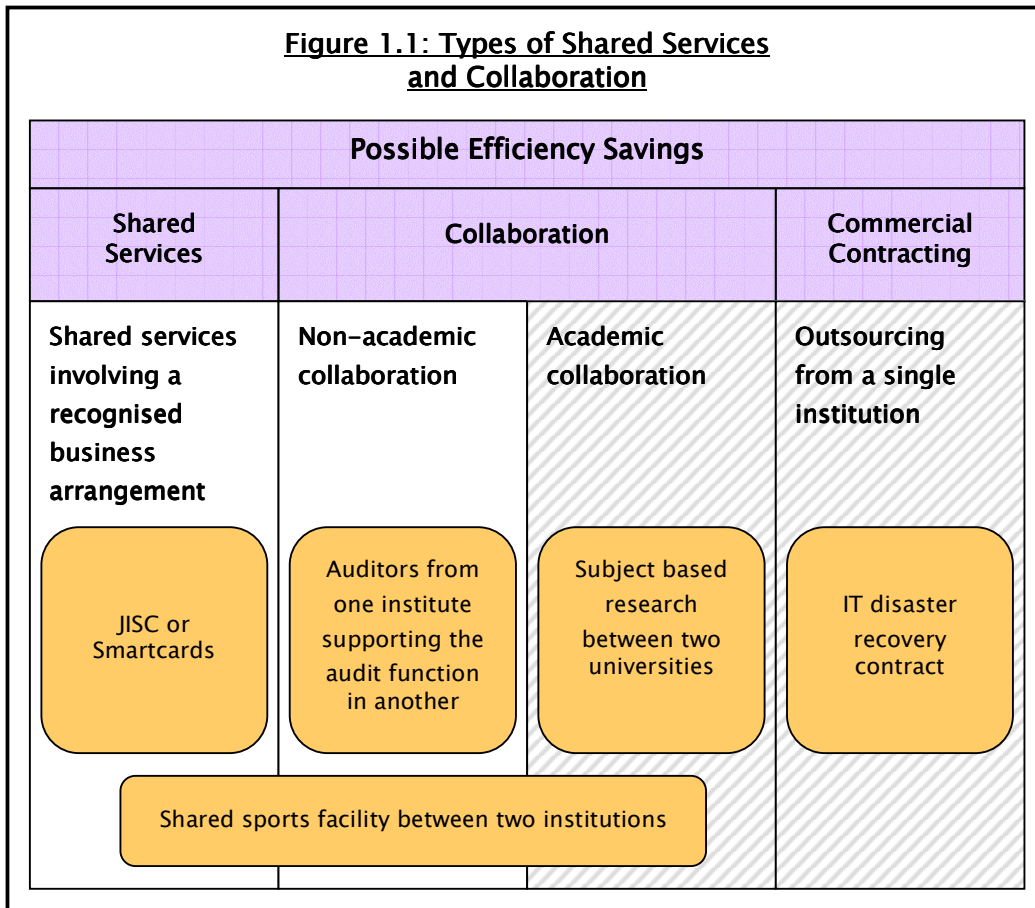
² Releasing resources to the front line, HMSO, 2004

³ Building a better Scotland: efficient government – securing efficiency, effectiveness and productivity, Scottish Executive, 2004

⁴ Shared services in the higher education sector, for HEFCE by KPMG, 2006

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- 1.7 Examples identified by the HEFCE report range from simple collaborations between separate organisations through to the establishment of new organisations, run and managed as “*autonomous businesses*”.
- 1.8 This study specifically looks wider than shared services, conforming to the above definition, to embrace relevant collaborative activities.
- 1.9 The definition of activities is an important and complex process. It has been an iterative process, starting with definitions derived from recent studies (the HEFCE research and Scottish Government definitions). This has been further refined through discussions with the steering group, key stakeholders and institutions themselves.
- 1.10 The range of activities that we have encountered across Scotland is depicted in **Figure 1.1**. This diagram shows a number of activities which potentially contribute to efficiency savings. Although our focus was shared services and non-academic collaboration, we encountered examples of academic collaboration and commercial contracting, which sometimes overlapped with our areas of interest and sometimes were difficult to position on this range of headings. For example, if three universities separately contract with an IT supplier to provide IT services, then we decided this did not constitute a shared service or even collaboration, but just a form of commercial contracting.
- 1.11 Some forms of academic collaboration overlap with the other categories. For example, a sports facility which involves investment by more than one institution could be said to be a shared service, could involve non-academic collaboration and may also involve academic collaboration, for example through joint teaching of sports science courses.



1.12 The Scottish Government is currently in the process of publishing guidance on shared services. Consultations with the Scottish Government have helped to frame the approach to this study. We understand an adaptation of the BuyIT⁵ categories will be used to identify types of shared service arrangements across Scotland, these include:

- unitary: a single organisation consolidation and centralising a business service;
- lead department: an organisation consolidating and centralising a business service that will be shared by other organisations;

⁵ BuyIT Best Practice Network, http://www.buyitnet.org/Best_Practice_Guidelines/SharedServicesPubSect/index.shtml

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- joint initiatives (internal): agreement between two or more organisations/departments to set up and operate shared services;
- strategic partnership (external): contractual arrangement with 3rd party provided for range of services;
- joint venture: joint venture legal entity and between 'Authority' and 3rd party provider;
- outsourcing: 3rd party provider takes full responsibility for managing and operating service. The 3rd party can be another public sector organisation.

1.13 We use these categories to analyse the range of shared services identified in the next section.

Methodology

1.14 Our approach to this work, across both the university and college sectors, has involved the following stages:

- **a short literature review** to inform the design of topic guides and the development of an analysis framework. This included SFC information and responses to the Scottish Government consultation;
- **national stakeholder** telephone interviews with the Scottish Government; Scottish Funding Council; Universities Scotland; Association of Scotland's Colleges; Scottish Further Education Unit; Universities Efficient Government Group; and, the Colleges Efficient Government Initiative Group. These helped to provide an early understanding of some shared services and other developments. In addition it helped to minimise the contact time with individual institutions, particularly relating to national initiatives;
- **communication with Principals of all institutions.** A letter was sent by the SFC outlining the purpose of the study and introducing York Consulting;

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- **university interviews.** We undertook telephone interviews with 19 university sector institutions (listed at Appendix A) between September and October 2007. We spoke to a range of people nominated by university Principals. Job roles ranged from Deans and Secretaries to Directors of Finance, Corporate Services or Planning;
- **college interviews.** We undertook telephone and face to face interviews with 31 college sector institutions between September and October 2007. We spoke to a range of people nominated by college Principals. Job roles ranged from Principals, Depute Principals, to Directors of Finance.

1.15 A project steering group, led by the SFC, directed the work and received regular reports on progress. The university and college sectors were represented on the steering group.

Acknowledgments

1.16 York Consulting wishes to acknowledge the time and support given by a range of individuals, in particular SFC staff, steering group members, national stakeholders and staff in Scotland's universities and colleges.

Report Structure

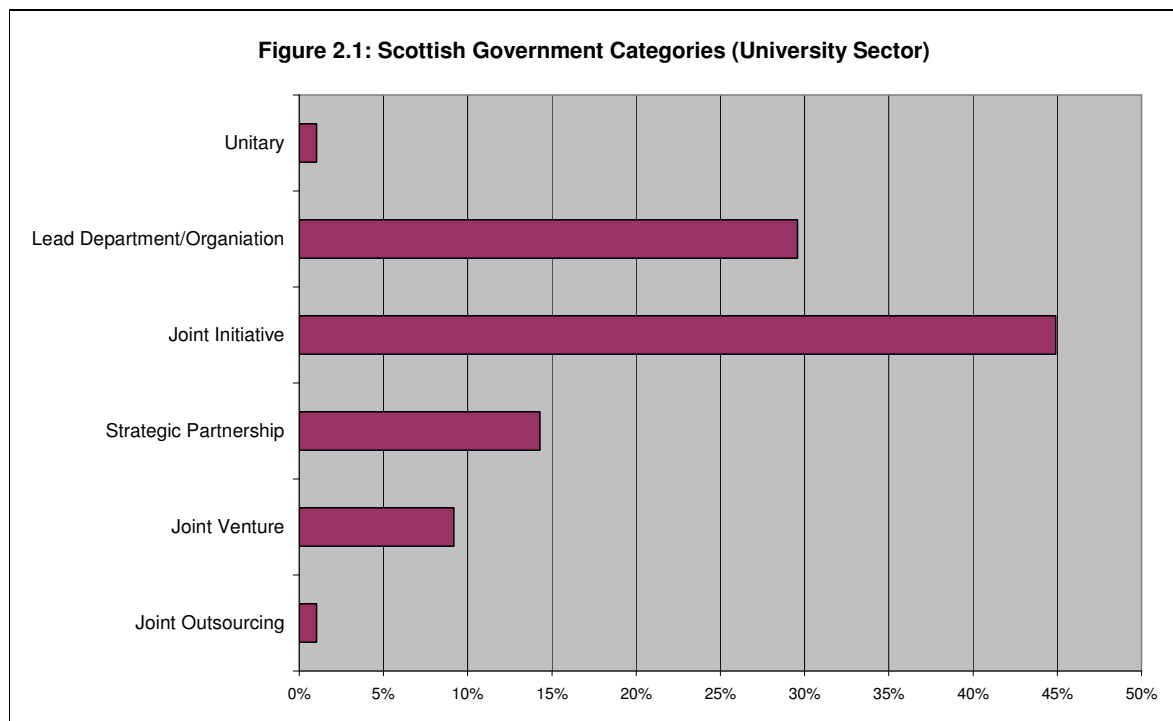
1.17 The structure of this report is as follows:

- **Section 2** describes national activities operating across Scotland and the UK;
- **Section 3** provides a review of shared services and collaborative activities across Scottish institutions;
- **Section 4** describes examples of activities which involve organisations outside of the sector;
- **Section 5** draws together the conclusions from this review.

2 OVERVIEW ACROSS SCOTLAND'S UNIVERSITY SECTOR

2.1 Our research has reviewed over a hundred shared services and collaborative activities linked to the Scottish university sector.

2.2 Mapping against the Scottish Government categories indicates that 'joint initiatives' followed by 'lead organisation' arrangements are the most common formats for shared services (**Figure 2.1**).



Source: York Consulting, 2007

Corporate perspectives

- 2.3 Discussions with institutions about their general approach to shared services and collaborative activity supports these findings. Institutions are keen to identify efficiency savings, but are resistant to the sharing of services without clear benefits:

"We are committed to getting best value by sharing services as and when we can."

"We spend most of our time talking with obvious partners on a geographical basis."

"We have no corporate strategy for shared services, although there is recognition that we need to be smart in service provision."

"Not many examples but a growing interest."

"With sharing services it has to be clear that it adds value to the business."

"We have a very open approach to collaborative activity both in academic and administrative central services areas. We are proactive and will seek out opportunities where synergy is in operation."

- 2.4 A number of barriers exist to increasing the level of shared services which include concerns about institutional autonomy, competition and VAT:

"There is a fear that if you share that service then you lose control and the quality of the service deteriorates."

"We do not do a great deal on joint marketing and promotion, as we are in competition with other universities – this can be tricky."

"There is a reluctance to engage in sharing of services or close collaboration as it can be seen as the thin end of a merger wedge."

"Tend to focus on areas which are non competitive or only competitive to a very small extent."

"VAT is seen as an obstacle to sharing services."

- 2.5 A point made by a number of university sector staff was that opportunities for commercial style shared services are limited due to lack of scale, as highlighted by one respondent: *“back office – for example, finance, HR, research and enterprise – these are less competitive areas, but altogether represent a very small proportion of the university’s budget (1.5%)”*. Generally volumes of staff fall below the critical mass threshold of between 20,000 and 50,000 staff⁶.

National Examples

- 2.6 The university sector has a strong coherence at the UK level and many examples of shared services involve Scottish institutions as part of wider UK arrangements. In addition, there are some Scotland-specific sector wide initiatives in existence or under development.

Scotland-wide activities

- 2.7 The Advanced Procurement for Universities and Colleges (APUC) is an arrangement which has developed out of previous procurement initiatives and which will focus on generating efficiency savings across the university and college sectors. It builds on the previously operated system known as Proc-SNI, a joint procurement initiative which covered Scotland and Northern Ireland.

⁶ Shared services in the higher education sector, for HEFCE by KPMG, 2006

Example 2.1: Advanced Procurement for Universities and Colleges (APUC)

APUC Limited was established in response to the McClelland Report on the transformation of public procurement in Scotland. It is the procurement Centre of Expertise for Scotland's universities and colleges. APUC's mission is to support the embedding and consistent application of good procurement practice within further and higher education institutions, and to increase significantly the sustainable value for money from institutions' procurement expenditure through the provision of advanced procurement services. The key strategies cover collaborative procurement, procurement policy and guidance and e-procurement. The ultimate benefit to institutions is the embedding of advanced procurement practices and the increased value for money for institutions from their non-pay spend.

- 2.8 Universities Scotland itself is the membership body which represents the Scottish university sector. Institutions identify that without it they would experience greater burdens in terms of representation and lobbying.

Example 2.2: Universities Scotland

Universities Scotland is one of three national councils which form Universities UK. It represents, promotes and campaigns for the Scottish university sector. Through this work, it seeks to assist the sector to deliver its essential contribution to the economic, social and cultural needs of Scotland and to the enhancement of Scotland's international reputation.

2.9 Other examples include:

- **the Quality Assurance Agency (QAA).** This is an independent body funded by subscriptions from higher education institutions to whom they are accountable. QAA reviews qualification standards and quality of education. The QAA Scotland Committee has delegated responsibilities from the QAA Board for the management of QAA's work in Scotland. Their work is linked to the quality enhancement framework and focuses on two methods of review; academic review and Enhancement-Led Institutional Review (ELIR);
- **representative groups.** A range of groups of people in similar roles across the Scottish university sector, for example the Association of Heads of University Administrators (see Appendix B for a comprehensive list);
- **Scottish Credit Qualifications Framework (SCQF).** QAA Scotland manages the SCQF in partnership with the Scottish Qualifications Authority and Universities Scotland. The SCQF brings together all mainstream quality assured Scottish qualifications into a single, integrated framework;
- **Student Awards Agency for Scotland (SAAS)** organises support for students living or studying in Scotland; providing tuition fees, loans and grants which are designed to help students meet costs while at university or college;
- **Libraries.** A number of formal and informal arrangements exist between universities across Scotland and the UK which facilitates referencing and in some cases inter-library loans at below market price cost.

UK-wide activities

2.10 There are a number of initiatives wider than Scotland that involve the whole Scottish university sector. One of the most significant is the Joint Information Systems Committee (JISC), profiled below.

Example 2.3: Joint Information Systems Committee (JISC)

JISC funds initiatives and services to provide expertise, independent advice, guidance and resources to the UK college and university sectors to promote the effective and innovative use of ICT. The most significant aspect is JISC's procurement of the UK-wide Joint Academic Network (JANET). JANET gives all institutions access to a world-class high capacity broadband network which they would not be able to purchase off-the-shelf.

JISC provides access to a range of services which are available free at the point of use by institutions. These include:

- online content and databases, which would otherwise require individual researchers physically travelling to data archives and spending time in libraries consulting physical sources;
- JISC provides discounts on commercial rates for subscription to online journals and data sources, resulting in reduced costs for libraries * not only cheaper subscriptions, but also reduced space costs for storage;
- JISC operates a National Site Licence Initiative to provide discounted prices for software and online resources;
- JISC provides information and advice free of charge to the sector on a range of operational issues such as advice on plagiarism, legal services and technical issues.

2.11 Other examples include:

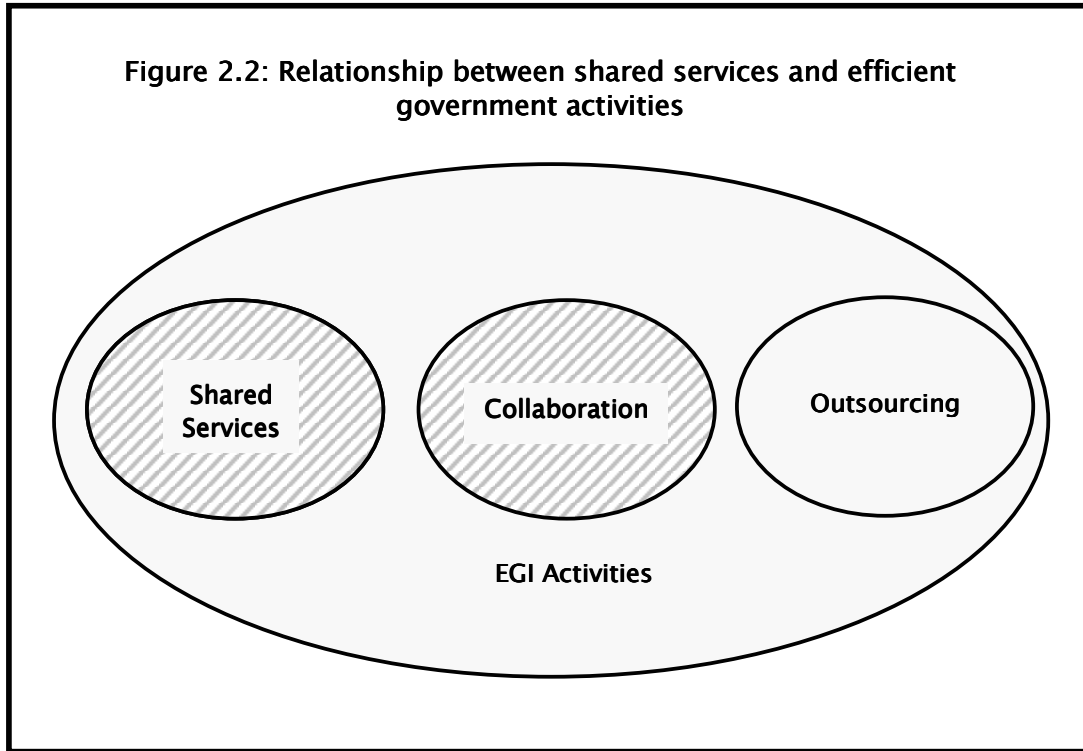
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- **the Universities Superannuation Scheme (USS).** This is a long-running initiative and is the primary pension scheme for academic and senior administrative staff. Founded in 1974, the Scheme has around 389 institutions and over 200,000 individual members. In addition some staff are part of the **local government pension scheme** and the **Teacher's Superannuation Scheme (TSS)**;
- **UCAS (Universities and Colleges Admissions Service).** This is the organisation responsible for managing applications to higher education courses in the UK. The Board of Directors comprises five members appointed by Universities UK (UUK), two by GuildHE limited, and one by the Association of Colleges; eight members are appointed to represent institutions. It has existed, in various forms, since the 1960s to provide a framework for the transmission of offers to, and responses from, applicants to higher education. UCAS provides the infrastructure and information upon which decisions made by institutions on applicants are made and communicated;
- **the Higher Education Statistics Agency (HESA).** This is the official agency for the collection, analysis and dissemination of quantitative information about higher education in the UK. HESA is a Company Limited by Guarantee and Not Having a Share Capital, whose Members are the representative bodies for the HE sector, namely Universities UK and GuildHE. Five main datasets are collected electronically, covering students, destinations of leavers from HE, staff, finance and the non-credit bearing course records. HESA is funded mainly by subscription income and contracts with public sector bodies;
- **the Higher Education and Research Opportunities (HERO).** This is a central gateway for students, academics, businesses and the general public. It is owned and funded by the UK's higher education funding bodies and other sector bodies. It acts as a portal for academic research and helps to showcase the diversity and quality of research across the UK;

- **the Higher Education Academy (HEA).** This is an independent organisation, funded by grants from the four UK funding bodies, subscriptions from higher education institutions and other commercial income. It is owned by the higher education sector (Universities UK and the Standing Conference of Principals). The HEA provides institutional support, subject and staff development and support for national policy development. The HEA has an office and a Senior Advisor based in Edinburgh;
- **the Leadership Foundation.** Established by Universities UK and the Standing Conference of Principals in 2004, it provides a dedicated service of support and advice on leadership, governance and management for all the UK's universities and higher education colleges. It is formally a company limited by guarantee and a registered charity;
- **the Scottish Equalities Unit** will support colleges and universities enhance their work in equal opportunities. The creation of the new unit is being led by an implementation group chaired by the Scottish Funding Council and comprises representatives from the National Union of Students (NUS) Scotland; the Scottish Trades Union Congress (STUC); the Scottish Further Education Unit (SFEU); and Scottish colleges and universities. The unit will be co-located with the SFEU at its offices in Stirling.

Relationship between shared services and efficient government initiative activities

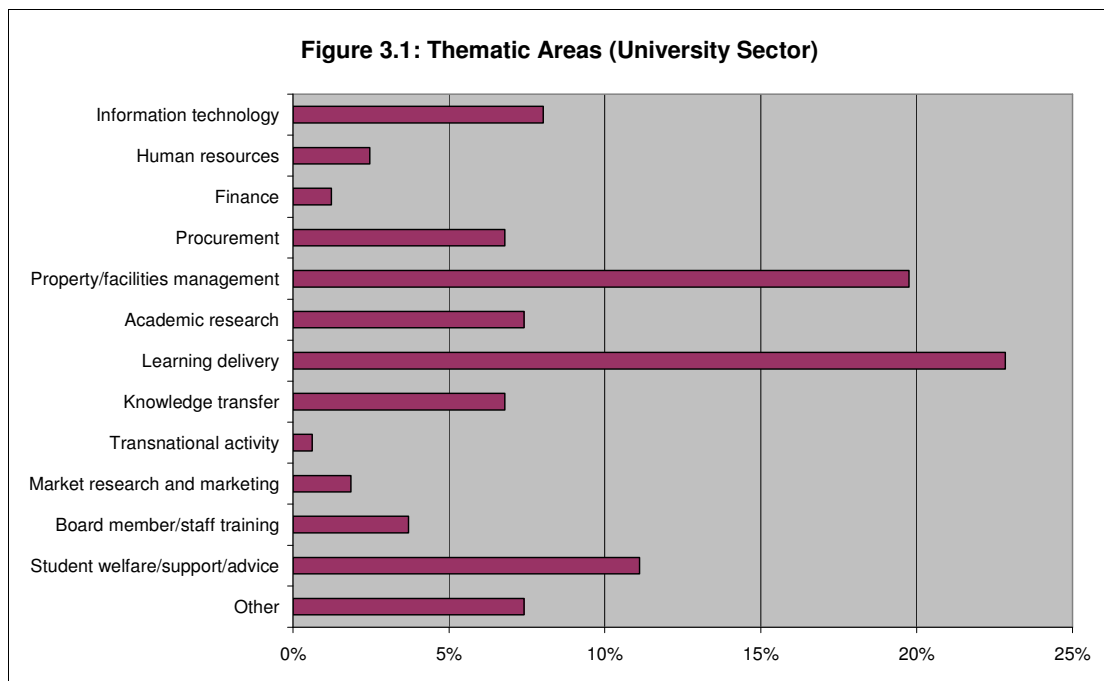
2.12 Throughout this work many examples of activities were cited which have led to efficiency gains. However, not all activities that fall within the efficient government initiative umbrella are necessarily shared services or even collaborations.



2.13 **Figure 2.2** illustrates this using a Venn diagram and helps to make the point that the services profiled within this report are only a part of the activities which universities are undertaking in support of improved efficiency.

3 SHARED SERVICES AND COLLABORATIVE ACTIVITIES BY THEME

3.1 The thematic spread of shared services and collaborative activities across the university sector shows that 'learning delivery' and 'property/facilities management' are the major categories (Figure 3.17).



Source: York Consulting, 2007

3.2 The university sector is different to the public sector in general but there are examples of shared services across most key areas. Research reported in the Scottish Executive's consultation document⁸, identified the most popular areas for establishing shared services in the public sector are in IT, finance, human resources, procurement, properties/facilities management, and legal services.

⁷ Multiple responses

⁸ A shared approach to building a better Scotland – a consultation paper on a national strategy for shared services, Scottish Executive, 2005

- 3.3 This section of the report describes the range of shared services and collaborative activities within each of the thematic areas.

Information technology

- 3.4 The most significant example of shared services relating to the university sector in the IT field is the JISC network (mentioned earlier), which involves all Scotland's universities and colleges.
- 3.5 Just under one in ten of the activities that we have reviewed has a significant IT element. The majority of these relate to the sharing of IT networking between institutions and with other organisations such as colleges and local authorities. Some of these are focused on basic infrastructure such as the Aberdeen Metropolitan Network example. Similar examples exist in other areas of Scotland.

Example 3.1: Aberdeen Metropolitan Network (AbMAN)

This is a fibre optic high speed IT network system involving Aberdeen University, Banff and Buchan College, the Macaulay Land Use Research Institute, the Robert Gordon University, the Rowatt Research Institute, Aberdeen College, the Scottish Agricultural College, the Fisheries Research Services Marine Laboratory, Banff and Buchan College, Aberdeen City Council, the Centre for Ecology and Hydrology in Banchory, and Aberdeen Science and Technology Park. AbMAN is established as a company limited by guarantee. All members pay a fee to participate, and provide a representative for the management advisory group and technical advisory group. There are future plans to involve the private and voluntary sectors.

- 3.6 There are also a few examples of sharing across particular professional disciplines, such as the Scottish Digital Libraries Consortium, and the Geographic Information System at Inverness College.

Example 3.2: Scottish Digital Libraries Consortium

The Scottish Digital Library Consortium established in 1999 shares administration, product research, research output management tools, a digital repository and pooling of knowledge. Partners include the University of Abertay Dundee, Edinburgh School of Art, Heriot Watt University, National Library of Scotland, Royal Observatory, Signet Library, Law Library, University of Edinburgh, University of the Highlands and Islands (UHI) and the University of St Andrews. Activities have included the procurement of library circulation and management database systems in 2004, which are hosted and managed by the University of Edinburgh.

Example 3.3: Geographic Information System

UHI MI institutions are able to access the Geographic Information System (GIS) software and expertise and of the School of Forestry at Inverness College, one of the UHI MI partners. The institution also raises funds through running short courses for professionals.

- 3.7 Less common IT examples relate to more specific applications such as smartcards, where the spreading of technology and systems management costs can generate combined savings.

Example 3.4: Smartcards

The University of Abertay Dundee has a lead roll in exploring the rollout of a student smartcard across FE and HE in Scotland from 2008. The card is designed to national interoperability standards, which ensures a range of services can be accessed. Currently the card can be used as an identity card, and for access to council and university facilities eg libraries using data held on a common database. Partners in the development include the Scottish Government, SFC, Improvement Agency, SLIC, SFEU, Universities Scotland, Dundee City Council, Young Scot, and the Society of Local Authority Chief Executives.

Human resources

- 3.8 There are limited examples of activities which are primarily focussed on efficiencies in human resources within the university sector. This reflects the desire to retain close control of staffing and confidentiality in this area.
- 3.9 The Universities Superannuation Scheme referred to in section 2 is a high profile UK-wide example of a service developed in this area. Another example is salary benchmarking which has helped universities to set appropriate staff pay levels.

Example 3.5: Salary benchmarking

The University of St Andrews commissioned, in 2006 and 2007, reports by an independent consultant to benchmark salaries in 14 institutions in Scotland and England. The results have been shared with sector partners, with great care taken to ensure anonymity of participants.

Finance

- 3.10 There are limited examples of activities which primarily focus on finance in the university sector, again reflecting the desire to retain close control of costs and confidentiality in this area.
- 3.11 The experience of the joint audit service of Aberdeen University and the Robert Gordon University illustrates the issue in this area.

Example 3.6: Joint Audit Service

Aberdeen University and the Robert Gordon University have been jointly tendering for internal audit services since 2001. This includes joint induction for audit community members. The organisations have sometimes found it difficult to identify areas that are applicable to both institutions, reflecting their individuality.

- 3.12 Nevertheless, there is still interest in sharing this function, and others such as the University of Stirling are looking at ways to take this forward in the future.

Example 3.7: Internal Audit Consortium

The University of Stirling is currently looking to procure internal audit services and has been looking at the Internal Audit Consortium in use by nine HE institutions around Manchester. The university has recently been outsourcing to a single private sector service provider, considering that resources do not allow them to directly employ a team with a sufficient range of expertise to meet their needs. Use of a consortium approach is considered to have benefits in that the provider is gaining a deeper understanding of the sector, and the institutions gain better continuity of service. The institutions are also able to share best practice to help meet the audits, gaining added value.

Procurement

- 3.13 Procurement is the area which naturally springs to people's minds when considering shared services and is an area which is well developed through national consortia such as the former ProcSNI, e-Procurement Scotland (ePS) and OGC.
- 3.14 Many institutions are considering membership of the APUC, the new consortium for the college and university sector. However, the advent of APUC has implications for existing shared procurement relationships such as that of QMU and Edinburgh University.

Example 3.8: Procurement by QMU

Edinburgh University undertakes procurement of behalf of QMU. Rather than relying on one member of staff, QMU is able to access a larger staff pool, offering continuity of service and more depth in knowledge and expertise. The arrangement has been particularly useful given the recent building of the new QMU campus in Musselburgh.

- 3.15 APUC will also have implications for joint approaches with consortia outside Scotland such as UMAL and SUMS, which reflect a UK-wide focus.

Example 3.9: UMAL

Aberdeen University benefits from the collaborative procurement of insurance products by Universities Mutual Assurance Ltd (UMAL), established in 1992 to serve the UK university sector. A recent purchase was Anti Terrorism group insurance.

Example 3.10: Southern Universities Management Services (SUMS)

The Universities of Edinburgh and Stirling have subscribed to Southern Universities Management Services (SUMS) which is a consultancy collaboration between 30 universities in the south of England. As member organisations, they are able to circumvent the often quoted VAT barrier to sharing services. They also consider that the contracted consultancy organisation will provide benefits from a deeper understanding of the sector, and better reports. Each organisation gains an allocation of consultancy days per year. Other Scottish universities have also worked with SUMS on ad hoc projects previously.

- 3.16 The Scottish Digital Libraries Consortium, previously mentioned, illustrates a specific thematic consortium approach to procurement.

Property/facilities management

- 3.17 Nearly a fifth of the examples of shared services and collaborative activities relate to property or facilities management. Activities in this area tend to involve significant scale and financial investment. A particularly well known example is the co-location at the Dumfries Crichton campus.

Example 3.11: Crichton Campus

The University of the West of Scotland, University of Glasgow, and Dumfries and Galloway College share the Crichton University Campus in Dumfries. Student services and ICT are jointly funded by the University of the West of Scotland, and the University of Glasgow. Dumfries & Galloway College fund their own services due to different requirements. Teaching is operated by Dumfries & Galloway College. The arrangement has been complicated by funding issues, illustrating the complexity of such large scale sharing, though the Campus has recently received a funding boost to help ensure its sustainability.

3.18 There were several examples of shared sports facilities, which offer mixed use for learning delivery and recreation for students, staff and the public. The Sighthill Sports Facility being redeveloped by Napier University and Stevenson College is a good example where they are going beyond just sharing the physical space but also working together on design and development.

Example 3.12 Sighthill Sports Facility

Napier University has a sports facility at Sighthill next to Stephenson College and as a result of agreements between the two institutions at the end of the 1990s Napier provides access for Stephenson College staff and students through a membership scheme. In addition, the facility is also used for shared teaching purposes. A new building facility is currently being developed and the two institutions are working together to consider access issues. Recently a half day workshop was held with the two Senior Management Teams to develop design principles for the new building. This demonstrates a close working relationship and a common understanding between the two institutions.

3.19 On a smaller scale, shared libraries and storage spaces are being developed by several organisations.

Example 3.13: Joint Storage Facilities

Dundee City Council is leading a plan to establish a joint storage facility with the University of Dundee and NHS Tayside at Claver House Industrial Park. The facility would be used for storing items such as records and archive materials.

3.20 Other examples include joint printing facilities, sharing of student accommodation and approaches to Waste Management which aim to improve operational management of facilities through expert advice.

Example 3.14: Waste Management

UHIMI and other colleges in the Inverness area are considering the joint funding of a workshop by the Environmental Association for Universities and Colleges Scotland Branch for a Campus Sustainability Programme (CASPr). CASPr is a Scottish Government/SFC funded programme to promote sustainable universities and colleges in Scotland.

Academic research

- 3.21 There were many examples of joint working where traditional academic collaboration has extended to include significant requirements for the sharing of property and facilities, such as the Scottish Universities Physics Alliance (SUPA), Edinburgh and St Andrews Research School of Chemistry (EASTCHEM), the Institute of Social Marketing, SINAPSE, and the planned Scottish Oceans Institute.
- 3.22 Such arrangements often fall within the science sector, and make efficient use of specialist high-cost equipment which partners would find difficult to afford individually.

Example 3.15: Scottish Imaging Network: A Platform for Scientific Excellence (SINAPSE)

SINAPSE is a £40m five year initiative which aims to build research strength and infrastructure for neuroimaging research in Scotland, including a virtual clinical imaging laboratory. Participating Universities include Edinburgh (Lead), Aberdeen, Andrews, Dundee, Stirling, and Glasgow. The project which will support 5 Chairs, 15 mid-level posts and 24 PhD studentships distributed across the partners. It will make use of specialist equipment for scanning the brain at the Universities of Aberdeen and Dundee.

Example 3.16: Scottish Oceans Institute

The Scottish Association for Marine Science, the Gatty Marine Institute at the University of St Andrews and UHI Millennium Institute are currently developing plans for creating the new Scottish Oceans Institute as a joint venture using postgraduate research and expertise from St Andrews, and UHIMI/Scottish Association for Marine Science facilities at Dunstaffnage.

- 3.23 Many examples of collaboration were referenced in relation to academic research, in particular the extensive approach to 'research pooling' has led to joint working and the development of examples referenced above.

Learning delivery

- 3.24 Nearly a quarter of activities identified across the university sector relate to learning delivery. Although, most examples represent collaboration rather than formal sharing of services.
- 3.25 A good example of universities and colleges working together on learning delivery is the UHIMI, with a well established link with non-SFC funded Lochaber College for delivering UHIMI courses at its remote distance learning centres, and the UHIMI contract with NHS Education Scotland.

Example 3.17: Contract with NHS Education Scotland

QMU, The Robert Gordon University and the UHI Millennium Institute are jointly delivering QMU devised training programmes to NHS students in their locality using the buildings and staff of each institution. The contract has been operating for the past two years and was won through competitive tender from NHS Education Scotland Audiology services.

- 3.26 The relationship developing between Glasgow Caledonian University and Glasgow Metropolitan College utilises the geographic proximity of two institutions in Glasgow.

Example 3.18: Sharing Teaching and Facilities

Glasgow Caledonian University and Glasgow Metropolitan College have a particularly close relationship for sharing teaching and facilities resulting from the formation of Glasgow Metropolitan College. Some former Glasgow College of Building and Printing staff and courses have formally transferred to GCU to develop the department. GCU employs the expertise of GMC teaching staff and tutors in areas such as interior design and building technology using GCU rooms. GMC also has access to specialist GCU facilities such as a laboratory for the study of concrete, and have been able to commit their former laboratory to alternative uses.

- 3.27 The shared sports facilities, mentioned in the previous section, represent a number of examples where joint learning delivery utilises the shared space. For example Stirling University and Scottish Swimming, the national governing body for swimming and related pool-based sports, both share a pool for training and recreation.
- 3.28 Some examples have a specific focus on improving the experience for the learner, such as the contracting out of 'hands-on' hospitality training by QMU to commercial hospitality companies, and the Digital Film and TV Course of Cardonald College and the Royal Scottish Academy of Music and Drama.

Knowledge transfer

- 3.29 Examples of knowledge transfer activity focus on the interface between universities and businesses. The majority of these involve the establishment of separate units to promote knowledge transfer such as the Scottish Construction Centre shared by Glasgow Caledonian and Dundee University, the North East Scotland Technology Fund (NESTech), and the 2KT unit.

Example 3.19: 2KT

A joint knowledge transfer support unit operated by QMU and Napier University since 2006. The unit provides support for identification of commercial potential, management of intellectual property, and engagement with business. The six staff may be based on either university site, and each supports a particular discipline. The unit aims to be financially self sustaining within 3 years, and is being looked at by other institutions in the HE and FE sectors.

- 3.30 Other examples are specific projects such as the Cànán project, or those accessing SEEKIT funding to support projects that will promote knowledge transfer between small to medium sized enterprises (SMEs) and the Scottish public sector science base.
- 3.31 Hi-Links is a more unusual example crossing the interface of the college and university sectors in the more remote areas of Scotland where support alternatives are more limited.

Example 3.20: HI Links

This is a highlands and islands knowledge transfer unit based at the North Atlantic Fisheries College in the Shetlands. It offers advice and helps the promotion of commercialisation eg via funding of visits and funding for feasibility studies. The unit is supported by UHIMI, Highlands and Islands Enterprise, and the Scottish Government. <http://www.hilinks.uhi.ac.uk>

Transnational activity

3.32 There were limited examples of shared services in transnational activity. However, Universitas 21 demonstrates a commitment to international collaboration. In addition Scottish universities are extending into overseas markets; in particular this reflects the opportunity that the global market can offer through the emerging nations, and that sharing services can go beyond traditional boundaries.

Example 3.21: Universitas 21

Established in 1997, Universitas 21 is an international network of 20 leading research-intensive universities in twelve countries. In addition to running staff and student exchange programmes, and networking conferences, Universitas 21 also operates a number of thematic collaborative groups, and an online university, Universitas 21 Global, in a joint venture with Thomson Learning. In Scotland, the University of Glasgow leads the Archives & Records Group, and the University of Edinburgh leads the Heads of Administration, and PR Directors Groups. Member universities are also able to make use of University of Hong Kong premises for events eg recruitment fairs.

Market research and marketing

3.33 There were limited examples of where institutions engage in joint market research and marketing. This suggests that the need to retain individuality within a competitive university sector is a barrier to greater joint working in this thematic area.

3.34 Where joint marketing has taken place, in the UHIMI, this can be seen to have been supported by the establishment of a central support office and a unified brand.

Example 3.22: UHIMI

Coordinated by an executive office in Inverness, UHIMI presents a unified branding for thirteen academic partner colleges and two associated research institutions in the Highlands and Islands. It aims to market all of the courses together through the Executive, so each college does not have to market themselves. It has recently carried out a large market research survey to get public views on current courses, and help inform decisions on what future courses to offer.

3.35 There are some examples of collaboration where joint courses are being delivered. In addition, the work of Universities Scotland acts to promote the whole university sector.

Board member/staff training

3.36 The study identified a small number of examples of collaboration, where the focus of institutions was on joint training. These were:

- the Career Bridges programme;
- the UHIMI, primarily focused on new IT developments;
- the Management and Professional Development Group supported through Universities Scotland.

3.37 Such approaches will have been useful in ensuring a minimum level of common skills, in addition to building knowledge through networking. There is also a clear benefit in terms of efficiencies through the spreading of training costs more widely.

Example 3.23: Career Bridges

The Career Bridges programme run by Dundee University, the University of St Andrews, Stirling University, and the University of Abertay Dundee provides joint training for non-academic staff. The course is aimed at senior clerical/technical staff and administrative staff with responsibilities for managing others. Delegates have included Senior School Secretaries, School Administrators, Team Leaders, Depute Directors and other middle managers. The training is action learning based, and covers general management and communication skills etc. Learning involves 7 contact days across 8 months in a cohort of 25–30 from the institutions, together with some reflective assignments about individual workplace practices. Trainees gain confidence, greater self-awareness, insights into the operation of universities and networking opportunities.

Example 3.24: Management and Professional Development Group

The group focuses on professional development opportunities across the sector. Each year a programme of course delivery is agreed by the group. Courses depend of the good will offered by universities; for example a three day residential course at Stirling University for middle managers involved a number of experience middle managers providing input for free. Courses are priced a below market rates and aim to cover costs. Other courses include an introduction to higher education for support staff.

Student welfare/support/advice

- 3.38 One in ten examples of shared services and collaboration fall into this category. The broad areas include accommodation, telephone helplines and wider welfare services.
- 3.39 Both QMU and the Robert Gordon University have been involved in sharing student accommodation with other local partners, an arrangement which makes efficient use of spare physical capacity.

Example 3.25: Hosting Other Students

QMU have been providing student accommodation to students from Jewel and Esk Valley, Edinburgh Telford, and Stevenson College. QMU students are given priority.

3.40 The student IT helpline at the universities of St Andrews and Edinburgh is a good example of a shared service with each institution making a clear contribution to the effective joint service.

Example 3.26: Student IT Helpline

The University of St Andrews and University of Edinburgh jointly deliver an IT helpline for students. The University of Edinburgh hosts the customer call management system, and provided the software which was designed in-house. The University of St Andrews provides the staff in a call centre. The arrangement provides benefits over outsourcing in that Edinburgh University provides continuous technical and development support, which saves on future costs. Suggestions for adjustments and updates are discussed in a user forum.

3.41 Other examples include:

- the common approach to student welfare across the UHIMI, which is trying to standardise pre and post course guidance on funding and other issues;
- degree link partnerships between groups of universities and colleges which enable students from HNDs at colleges to transfer directly onto year three of a degree course. This requires close working to ensure students will have the necessary knowledge to join midway through a degree course.

4 ACTIVITIES INVOLVING OTHER SECTORS

4.1 In this section we summarise shared services and collaborative activities which have involved other partners outside the university sector.

4.2 A major area of collaboration is with the college sector. Particular examples include:

- national activities such as JISC, APUC and UCAS;
- the UHIMI involves significant collaboration with colleges both internally to its development and through partnership work with other universities;
- development and joint use of sports facilities eg. the Sighthill sports facility involving Napier University and Stevenson College (example 3.12);
- development of higher education courses and delivery eg. Glasgow Caledonian University and Glasgow Metropolitan College;
- sharing of student accommodation eg. QMU and local colleges (example 3.25).

4.3 Other common types of partner include local authorities, other public sector bodies such as the NHS and the private sector.

4.4 Joint working involving local authorities includes:

- specific developments in specialist areas e.g. commercialisation of research, to support local SMEs;
- partnership approach to storage and archiving e.g. Joint Storage Facilities, where the local authority will be likely to fund the infrastructure (Example 3.13);
- IT infrastructure developments eg. AbMAN – Aberdeen Metropolitan Area Network, where the local authority is a full member (example 3.1).

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4.5 Joint working involving other public sector bodies includes:

- joint appointments (NHS), where the local health board shares the cost of training by lecturers based in hospitals;
- contract with NHS Education Scotland (example 3.18), where a university partnership is training NHS staff.

4.6 Joint working involving the private sector includes:

- knowledge transfer – Technology Transfer to SMEs;
- the development of smartcards, likely to be provided for free by a commercial book retailer;
- internal audit consortium, where a university sector consortium is working with a preferred private audit provider;
- Scottish Digital Library Consortium, where private libraries work with the university sector.

5 CONCLUSIONS

- 5.1 This review has covered a large number of shared services and collaborative activities across the Scottish university sector.
- 5.2 There are clear examples of shared services at the UK level with all Scottish institutions participating in activities such as JISC, UCAS and the USS.
- 5.3 At the Scotland-wide level there are examples of joint working such as APUC and previous procurement initiatives. The work of Universities Scotland across many areas of representation and through many groups provides a valuable and effective service which, without it would be unlikely to occur and would be a greater burden to individual institutions. Other less high profile but equally beneficial activities relate to the sharing of library services across Scotland (and the UK).
- 5.4 At the institutional level there is good evidence of shared services and collaborative activities in the following areas:
- information technology;
 - procurement;
 - property/facilities management;
 - learning delivery;
 - knowledge transfer;
 - staff training;
 - student welfare.
- 5.5 Corporate attitudes vary with some institutions more enthusiastic and more advanced than others. Generally there is recognition of the efficiency benefits, but positive engagement requires a clear business logic that added value will result.

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- 5.6 There are some key challenges to expanding sharing of services which include commercial sensitivity, the handling of VAT, critical mass and the identification of added value.
- 5.7 There is good evidence of joint working with organisations outside of the university sector. In particular, with Scotland's college sector, but also with local authorities, the wider public sector and the private sector.
- 5.8 The level of collaboration and the large number of examples within and out-with the sector pays testament to a strong network and the recognition of efficient government principles.

**APPENDIX A
CONSULTEES**

| Interviewee | Role | Institution |
|------------------|--|---|
| Michael Wood | Secretary | Edinburgh College of Art |
| Peter Kennedy | Associate Dean of Marketing & Income Generation, School of the Built and Natural Environment | Glasgow Caledonian University |
| Eliot Leviten | Director of Finance and Resources | Glasgow School of Art |
| Richard McGookin | Director of Planning | Heriot-Watt University |
| Gerry Webber | Secretary & Registrar | Napier University |
| Liam McCabe | Director of Strategic Financial Management | Queen Margaret University College |
| Alan Smith | Director of Finance | Royal Scottish Academy of Music & Drama |
| Lucy Macleod | Depute Director | The Open University in Scotland |
| Pat Briggs | Executive Director (Planning and Resources) | The Robert Gordon University |
| Hazel Allen | Director of Finance and Planning | UHI Millennium Institute |
| Steve Cannon | Secretary | University of Aberdeen |
| Ivor Lloyd | Depute Principal (Planning & Resources) and Head of Information Services | University of Abertay Dundee |
| David Duncan | Secretary | University of Dundee |
| Nigel Paul | Director of Corporate Services | University of Edinburgh |
| David Newall | Secretary of Court & Director of Administration | University of Glasgow |
| Hugh Martin | Assistant to the Principal | University of St Andrews |
| Kevin Clarke | Secretary | University of Stirling |
| David Coyle | Director of Finance | University of Strathclyde |
| Shiona McGill | Deputy to the Finance Director | University of the West of Scotland (formerly Paisley) |

APPENDIX B
SCOTLAND-WIDE GROUPS AND ORGANISATIONS

| Name | Details |
|---|---|
| <p>Association of Heads of Universities Administration (AHUA), Scottish Group</p> | <p>AHUA is the representative body for senior University managers (typically Registrars or Pro-Vice Chancellors) with responsibility for a range of managerial and legal issues within their institutions. AHUA provides opportunities for members to exchange experience and expertise on best practice in Higher Education management.</p> <p>Convenor of the Scottish Group is Kevin Clarke, University Secretary, University of Stirling, which is constituted as the Scottish Secretaries Group and forms part of Universities Scotland.</p> <p>www.ahua.ac.uk</p> |
| <p>Association of University Administrators (AUA), Scotland Branch</p> | <p>AUA is the professional body for higher education managers and administrators, with around 4,000 members in the UK and worldwide. It has in the region of 150 branches based in universities and higher education colleges as well as HE-related bodies.</p> <p>www.aua.ac.uk</p> |
| <p>HE Information Directors, Scotland (HEIDS)</p> | <p>The role of HEIDS is to promote high standards in the provision and development of academic, management and administrative information systems throughout the Scottish higher education sector. It works with the UK-wide Universities and Colleges Information Systems Association (UCISA).</p> <p>The Chair is Mr. Andrew McCreath, Director of Information Technology at the Robert Gordon University, Aberdeen.</p> <p>http://www.heids.ac.uk/</p> |
| <p>Association for University Research and Industry Links (AURIL)</p> | <p>AURIL is the professional association representing all practitioners involved in knowledge creation, development and exchange in the UK who work to ensure that new ideas, technologies and innovations flow from their institution into the market place.</p> <p>www.auril.org.uk</p> |
| <p>Association of</p> | <p>ABS is the representative body and authoritative voice for</p> |

| Name | Details |
|--|---|
| Business Schools (ABS) | <p>all the leading business schools of UK universities, higher education institutions and independent management colleges.</p> <p>www.the-abs.org.uk</p> |
| Association of UK Higher Education European Officers (HEURO) | <p>HEURO seeks to be a resource and source of support for all higher education staff involved in the administration of European programmes (Education and Training, Research and Structural Funds).</p> <p>www.heuro.org/</p> |
| Association of University Directors of Estates (AUDE) | <p>AUDE's primary objective is to promote excellence in the strategic planning, management, operation and development of University Estates and Facilities.</p> <p>The Scottish Association of University Directors of Estates (SAUDE) is chaired by Graham Roddick, Director of Estates Management, University of Strathclyde.</p> <p>www.aude.ac.uk</p> |
| Committee of University Chairmen (CUC) | <p>CUC provides a forum for discussion for university chairs. Its primary purpose is to enable chairs to contribute their distinctive experience, knowledge and perspective as laypersons and to consider matters which concern all universities.</p> <p>The Committee of Chairmen of Scottish HEIs is chaired by Martin Cheyne, Chair of the Court of Glasgow Caledonian University.</p> <p>www.shcf.ac.uk/cuc/</p> |
| Council of Higher Education Internal Auditors (CHEIA) | <p>CHEIA is the representative body for Higher Education Institution Internal Audit Services and providers in the UK and exists to develop and promote the role and status of internal audit in higher education. Through its activities, CHEIA helps its members achieve the highest standards in the provision of effective, value added and cost effective internal audit services to meet the needs of their</p> |

| Name | Details |
|---|--|
| | <p>institutions.</p> <p>www.cheia.squarespace.com</p> |
| Higher Education External Relations Association (HEERA) | <p>HEERA is a professional body working across the areas of press & public relations, marketing, alumni relations and fundraising in the higher education sector. It is a membership organisation that offers a wide range of networking; professional development and other support activities and facilities, as well as encouraging the sharing of good practice, experience and knowledge.</p> <p>www.heera.ac.uk</p> |
| Higher Education Statistics Agency (HESA) | <p>HESA is the official agency for the collection, analysis and dissemination of quantitative information about higher education.</p> <p>www.hesa.ac.uk</p> |
| National Association of Disability Officers, The (NADO) | <p>NADP Ltd is the professional organisation for disability and support staff in further and higher education. NADP is for anyone working in the post-16 education sector and involved in the management or delivery of services for students with disabilities.</p> <p>www.nadp-uk.org</p> |
| British University Finance Directors Group (BUFDG) | <p>BUFDG is the representative body for finance directors in the higher education sector in the United Kingdom. It:</p> <ul style="list-style-type: none"> ○ provides a strategic financial perspective on all higher education activities; ○ is a communications channel between finance directors, academic colleagues and funding councils; ○ collects, analyses and disseminates information; ○ promotes high standards and best practice; ○ provides training and development for directors and their staff; and ○ provides forums for discussion, consultation and exchange. |

| Name | Details |
|--|---|
| | <p>The Scottish University Finance Directors Group (SUF DG) is chaired by Irene Bews, Director of Finance And Purchasing, University of Aberdeen.</p> <p>www.bufdg.ac.uk/</p> |
| Universities Personnel Association (UPA) | <p>The UPA is the professional organisation for Personnel and Human Resources practitioners in the United Kingdom and Eire Universities.</p> <p>The Scottish Heads Of Personnel (SHOP) is jointly chaired by Martin McCrindle, Director of Human Resources, University of Stirling and Pamela Milne, Director of Human Resources, University of Dundee.</p> <p>www.upa.ac.uk</p> |