

Working Smarter

Progress report 2012



Universities
Scotland





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In July 2011, Universities Scotland committed itself to delivering a sector-level three year efficiencies plan to ensure that the investment of public funds in universities by the Scottish Government is targeted most effectively at delivering high quality provision for learners, supporting internationally excellent research and helping businesses to benefit from universities' expertise. This document offers a brief summary of the detailed action plan which has been developed by senior university leaders from across the sector. It represents a step-change in universities' collective action to promote the efficient use of resources

I have been pleased to chair a short-life working group which has developed an action plan bringing together the key professional groups best placed to deliver efficiencies on the ground within and across universities. In order to achieve its aims, the action plan sets out a three year programme for key areas of collaborative activity where efficiencies are most likely to be realised at the sector-level:

- Information and Communications Technology
- Estates & Carbon Reduction
- Procurement
- Cost-Sharing Groups & Business Process Improvement

A series of distinct work packages exists within each of these work streams, each focused on a specific area and each with defined project deliverables, interim milestones and outcomes. A broad summary of some of the work the sector will be taking forward and the outcomes we hope to collectively achieve is shown overleaf.

In addition to activity in these specific areas, the sector will continue work at both Scottish and UK levels to reduce the bureaucracy associated with the regulatory framework within which universities operate. This will involve engagement with both the UK level Higher Education Better Regulation Review Group (HEBRG) and the Scottish Review of Higher Education Governance's recommendation that the Scottish Funding Council review levels of bureaucracy in the sector with a view to its reduction.





Further improving the efficiency of a sector which has consistently over-achieved on Scottish Government targets in both the Efficient Government Programme, and the Efficient Government Initiative which preceded it, has required a focus on the key infrastructural elements of universities' operations, their ICT, their estates, their purchasing and their business processes. Whilst Universities Scotland's 2011 publication *Working Smarter* outlined just how much progress has already been made in these areas, universities are committed to driving collaborative work on efficiency further in pursuit of the £26 million efficiencies target Scotland's universities have been set for each of the next three years.

The work is closely linked to the reform of public sector ICT, following the McClelland Review, and work by Universities UK's own Efficiencies & Modernisation Project by means of shared membership. Both these related activities provide opportunities for Scotland's universities to continue to collaborate with other sectors and with universities across the UK in order to derive maximum value when spending public funds.

The Universities Scotland Efficiencies Taskforce has been given a clear mandate by the Principal of every Scottish university to implement a road-map for collaborative efficiencies over the next three years. This work is important but forms only a part of the efficiencies being pursued by the Scottish university sector. Individual institutions will continue to deliver significant improvements to efficiency through their own business process improvements and through regional and national partnerships and collaborations with each other and with other public sector bodies.

Universities Scotland will coordinate the work of the Efficiencies Taskforce in implementing this plan and intends to revisit and refresh these activities on an annual basis to ensure they remain relevant in what is a rapidly evolving policy and legislative environment. Part of this annual refresh will include a publicly available progress report, highlighting key achievements and performance in relation to key efficiency metrics.

Universities Scotland's three year work plan:

	Why this area?	What will we do?	What will be achieved in year 1?	What will be achieved in 3 years?
 ICT	<p>The sector believes there are genuine opportunities to work together in this area. The Scottish Government's own initiative in this area adds further impetus</p>	<p>We'll be looking at potential cost savings to be made from taking a shared approach to things like data storage and virtual learning environments.</p>	<p>The sector will move to put in place collective licensing agreements for virtual learning environments (VLEs) which will reduce costs and improve services.</p>	<p>We will have several new collaborative deals in place, be playing a critical role in the wider government reform of ICT and be rolling out examples of collaborative ICT services between now and 2015.</p>
 procurement	<p>Scottish Universities already lead the UK in joint procurement. As the rest of the UK looks to catch up, we need to make sure we move further ahead.</p>	<p>We will expand the use of collaborative agreements across the sector to increase coverage of total sector spend. We will develop the skills of our procurement professionals to deal with the ever-more challenging environment.</p>	<p>We've set ourselves a target of ensuring 25% institutional spend via collaborative agreements by July 2012</p>	<p>A continued improvement in the number of institutions achieving the highest rating in the independent assessments of public sector procurement. Collaborative agreements will cover 35-40% of sector spend.</p>
 shared services & business processes	<p>Leaner business processes across the board can release funding to support learning, teaching and forthcoming research. New VAT regulations mean there may be further opportunities in this area.</p>	<p>We'll continue to share best practice in order to get the best business processes across the sector and we will consider models for potential new shared services which may be able to take advantage of a forthcoming change in VAT regulations.</p>	<p>We hope to have a detailed understanding of the sector appetite for different shared services so that we can consider what the tax implications might be when the HMRC guidance is published later in 2012.</p>	<p>Individual institutions will be in a position to demonstrate efficiencies through improved business processes. Collaborations will be constituted in a manner which enables them to take advantage of the new VAT regime.</p>
 estates & carbon reduction	<p>Estates and related operations make up around 18% of sector spend and are vital to delivering high quality learning, teaching & research. With decreasing capital funding and a range of environmental imperatives it's vital we make our assets work as efficiently and effectively as possible.</p>	<p>We'll be taking forward the commitments the sector has made under the Universities and Colleges Climate Commitment for Scotland (UCCCfS) and looking at how we get the maximum value from our estate in order to support the very highest quality learning, teaching and research.</p>	<p>Through reviews of current practices, we aim to identify the key opportunities for savings and make specific recommendations to the sector. We will also establish a handful of key metrics that will enable us to monitor progress.</p>	<p>We will significantly reduce the sector's carbon impact and demonstrably improve the efficiency of the sector's estate across a range of measures.</p>

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Universities Scotland is the representative body of Scotland's 19 universities.

In the interests of conserving resources, this publication is only available electronically.