OUTCOME AGREEMENT

WITH THE
SCOTTISH FURTHER AND HIGHER
EDUCATION FUNDING COUNCIL

SESSION 2014/15 – 2016/17

Introduction

RGU's mission is 'to transform people and communities'. It does this by ensuring that our discovery of knowledge and dissemination of scholarship have the greatest possible economic, social and cultural impact.

The university's vision to be recognised, in Scotland and beyond, as a distinctive university leading and shaping the debate on the future of higher education and placing students at the centre of the education it offers. The university will be known for the impact of its teaching, scholarship and translational research, the employability of its graduates, its influence in the region and nation, its growing global profile, and its strong interdisciplinary focus on a small number of key questions and issues of concern to the local and global community. The university will achieve its goals in partnership with academic, voluntary, public and business organisations that share its ideals and aspirations.

The university's strategy, *A Clear Future for a leading university in a new era* reflects on the university's achievements and aspirations for the future. It articulates a significant growth in commercial income and research revenues whilst maintaining the quality and reputation for our relevant and professional portfolio of courses.

The strategy will be implemented through eight strategic aims:

1. Teaching and learning: to inspire all to achieve their maximum potential and excel in the world of tomorrow.
2. Extending access to all: to enable individuals to achieve their ambitions throughout life whatever their circumstances.
3. Student experience: to support students and graduates to enjoy and prosper within a vibrant learning community.
4. Research: to be recognised for our contribution to the growth of innovation through advancing internationally excellent translational research in our areas of strategic focus.
5. Commercialisation: to harness our intellectual and physical assets so they generate value to the economy and are profitable to the university.
6. The regional community: to contribute to and be an active leader in the development of the regional community.
7. Partnerships: to secure strategic partnerships with a small number of globally recognised universities and companies that will support the university's key ambitions.
8. Our university: to empower staff and students to develop a strong and engaged community.

The strategy of the university is complemented and extended through six associated strategic statements. These statements provide significant stakeholder groups of the university with information that contextualises the university's strategy for their particular area. The six current strategic statements are:

- Oil and gas;
- Health and wellbeing;
- Big data;
- Arts and creative industries;
- Employability plus; and
- RGU and the region.

The strategy is implemented through the university's planning process wherein an annual Strategic Implementation Plan (SIP) is developed. The Board of Governors monitors the achievement of the university's strategy through ten key performance indicators (KPIs) and the university's Strategic Planning and Resources Group monitors a basket of wider performance indicators (PIs) that are aligned to the aims of the strategy and underpin the KPIs.

A key stakeholder the university will work with to achieve its ambitions is the Scottish Funding Council for Further and Higher Education (SFC). The SFC has developed a framework of three year Outcome Agreements with institutions it funds with seven strategic aims with a set of twenty-two national performance measures (NPM) aligned to these aims. Within this group of national performance measures, the university recognises that setting targets for four measures (measures 1, 2, 8 and 10) is considered mandatory by the Council whereas targets for the other measures is optional.

The aims expressed by the Funding Council within its Outcome Agreement align with the strategic aims of the university (see the mapping below) and therefore, where appropriate, the university has proposed the use of its own KPIs as targets against some of the measures.

Note on data used within this Agreement: This Outcome Agreement contains several tables which provide information on targets. Where data is provided in italics this represents a forecast. In a number of instances data collection has taken place or is taking place (usually as part of a HESA or SFC statistical return) but has not yet been verified or published and therefore this appears as 'tbc' within the tables.

| | Strategic aims contained within *A Clear Future for a leading university in a new era* | | | | | | | |
	Teaching and learning	Extending access to learning	Student experience	Research	Commercial-isation	The regional community	Partnerships	Our university
SFC Outcome Agreement Aims — Improve access to higher education	✓	✓				✓		✓
Learner journeys are short	✓	✓	✓			✓		
Right learning in the right place	✓					✓		
A developed workforce	✓	✓	✓	✓		✓		
A research base that is internationally competitive				✓			✓	
Deliver a step change in the engagement of business and industry				✓	✓	✓	✓	
Sustainable institutions					✓			✓

Aim 1: Widening access to people from the widest possible range of backgrounds

Introduction

The university's strategy provides a commitment to:

- Motivate and facilitate individuals from under-represented groups in the North East; and
- Advance an inclusive environment for our staff and students in which to work and study.

NPM 1: Articulation with advanced standing

The university has a longstanding commitment to articulation with advanced standing. It works in partnership with colleges across Scotland to develop and support individual articulation routes with guaranteed places for learners where a formal Course Level Agreement exists and relevant entry requirements are met. Arising from this, the university designated the then Aberdeen College, and now North East Scotland College, an Associate College of the university. This agreement provides a shared and planned approach to articulation within the region. A Memorandum of Understanding also exists between the university and the newly formed Dundee and Angus College.

The university acknowledges that it receives significant funding to support articulation through the Regional Hub as well as an additional 75 places within North East Scotland College, articulating into the university in their third year of study (2015/16). The university understands that this funding will continue for three new cohort of students between 2014/15 and 216/17. The university's intention is that it will work with the College to ensure that 75 places in each year are funded within the College. The targets that the university has proposed for the duration of this Outcome Agreement reflect the increasing demand for the university's places from school-leavers, that significant work to increase articulation has already taken place and the constraints of the university's current consolidation targets.

	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Students articulating with advanced standing	292	347	*390*	315 + 75	315 + 75	315 + 75
Number of HN entrants	496	573	*637*	525 + 75	525 + 75	525 + 75
Proportion	58.9%	60.6%	*61.2%*	65.0%	65.0%	65.0%

NPM 2: Engagement and recruitment of MD20 and MD40 students

The pool of MD40 learners in Aberdeen City and Aberdeenshire is small. This is particularly notable in Aberdeenshire, which consistently ranks among the least deprived local authority area in Scotland. Nevertheless, the university has, over the past three years, made modest improvements in MD20 recruitment.

Over the course of this Outcome Agreement, the university plans to:

- Develop a strong web presence and associated materials for prospective and existing wider access students and education professionals in schools and communities.
- Participate further in the SFC-supported Access to Creative Education Scotland (ACES) programme.
- Further refine the university's contextualised admissions process, following its introduction in the 2013/14 academic session.

	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Number of MD20	142	154	*136*	156	156	156
Number of MD20 to MD40	215	258	*220*	230	254	274
Number of MD40	357	412	*356*	386	410	430
Total SDUE	2189	2332	*2204*	2204	2204	2204
Proportion MD20	6.5%	6.6%	*6.2%*	7.1%	7.1%	7.1%
Proportion MD20 to MD40	9.8%	11.1%	*10.0%*	10.4%	11.5%	12.4%
Proportion MD40	16.3%	17.7%	*16.2%*	17.5%	18.6%	19.5%

NPM 3: Engagement with the Scottish Higher Education Programme

The university has for a number of years engaged with the ASPIRE North programme but has not targeted particular work on the low participation schools within the Scottish Higher Education Programme (SHEP). In the 2012/13 academic session the university participated in the SFC-supported Access to Creative Education Scotland (ACES) programme and over the 2013/14 academic session will seek to build partnerships with low attainments schools in the region in addition to activities undertaken with ASPIRE North.

For this reason the university has not set itself a target for the proportion of Scottish-domiciled undergraduate entrants from SHEP Schools. It will review this position during the course of the 2014/15 academic session.

NPM 4: Entrants from protected characteristic groups and care leavers

As part of the university's commitment to an inclusive university and the development of the university's equality outcomes, the university established that it had a particular gender imbalance within some of its academic Schools. In light of this one of the university's equality outcomes is to start to see movement away from such extreme gender imbalance.

The university's equality outcomes have targets to be attained by 1 April 2015 and 1 April 2017 (the dates are specified in legislation).

- By 2015 to have recruited 13% female students amongst the total first year intake of students to the undergraduate courses within the School of Engineering compared to intake of 8% in 2012.

- By 2017 to have recruited 16% females amongst the total first year intake of students to the undergraduate courses within the School of Engineering
- By 2017 to have increased the proportion of male/female students, as appropriate, entering first year of undergraduate programmes in the Schools of Computing & Digital Media, Health Sciences and Nursing & Midwifery by 2%.

The university notes that firm data on entrants from care leavers is, as yet, unavailable. Nevertheless, the university will continue to ensure that the university's provision is accessible to care leavers following its submission to the Frank Buttle Trust for their quality mark.

NPM 5: Success rates amongst protected characteristic groups

This measure will be addressed amongst the commentary in the following section.

Aim 2: Learner journeys are as short, efficient and effective as possible and learners experience the highest quality of learning and teaching and achieve successful outcomes

Introduction

The university's strategy provides a commitment to:

- Challenge the design of our teaching, learning and assessment to enable best use of learners' abilities and time.

The university has endeavoured to ensure that its provision is as efficient as possible through a variety of means:

- supporting and facilitating articulation of students from college directly into university courses (see previous section on aim 1);
- offering, where possible given professional body accreditation requirements, accelerated degree courses, for example the integrated Masters courses in both Engineering and Pharmacy;
- mechanisms to accredit prior experiential learning and qualifications from outside the UK; and
- a range of continuing professional development and bespoke courses.

In the last Enhancement-led Institutional Review (ELIR) undertaken in 2012, the university received confidence in the current and likely future management of academic standards and quality of the student learning experience. The university's annual monitoring of quality involves detailed analysis of learner feedback and performance.

NPM 6: Retention of students

The university monitors retention rates of students returning to study through the annual course appraisal process and at the Quality Assurance and Enhancement Committee. The university has a record of high levels of retention rates, and in the last published data the university's retention rate was higher than both the Scottish sector average and the HESA benchmark for the university. Amongst the university's KPIs, the Board of Governors uses the HESA success rate for returning students (it differs from the national measure) by including RUK and EU students in the calculations. The target set for the university is to meet or exceed its benchmark. The university accepts that with an increase in the entry grades of students this benchmark figure is likely to increase in the near future and the university will aim to increase retention rates for Scottish-domiciled undergraduates to 92% over the period of the Outcome Agreement.

The previous section of the Outcome Agreement (section 1.5) referred to the retention of students from particular backgrounds. The Equality and Diversity Advisory Group which monitors a range of institutional data (including admissions, satisfaction, achievement and employment) is re-examining how it monitors data on achievement over the course of the 2013/14 academic session and with this in mind the university does not intent to provide targets at the current time against national performance measure 5 (see above).

First year SDUE returning in year two	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Proportion	91.6%	tbc	91.7%	91.8%	91.9%	92%

NPM 7: Projected outcomes of students

The university monitors the achievement of students through a 'Student Achievement Rate' which is provided to course teams as part of the annual appraisal process. This rate is also a performance indicator which is monitored by the university's Academic Development Committee and the Quality Assurance and Enhancement Committee.

The university has considered carefully the SFC's use of an indicator for attainment based around the HESA projections of likely degree attainment. Analysis of the HESA data shows that the performance of Scottish institutions against the benchmark for the outcome degree, is significantly lower and the performance of Scottish institutions against the benchmark for the outcome 'other awards' is significantly higher. This pattern is not mirrored for English institutions. Given that the figure is a projection and not an actual measure, this discrepancy is likely to do with how the benchmark is calculated. In light of this the university will use its own Student Achievement Rate to monitor the outcomes of the students, given that the Student Achievement Rate is expressed on a course-by-course basis the university will examine how best to share this information with the Funding Council.

NPM 8: Student satisfaction

The monitoring and enhancement of the quality of the student experience is embedded within the university's quality assurance system. The university's quality assurance systems ensure a system of monitoring based upon the individual course which involves analysing the results of the National Student Survey (NSS), the university's internal Student Experience Questionnaire and participation in various other national surveys (for example, the International Student Barometer).

The university's performance over the last 4 years in the overall satisfaction question within the NSS has been consistently high and has exceeded both its NSS benchmark and the Scottish average. Given the importance of the student experience to the university's strategy, the Board of Governors has included the NSS overall satisfaction rating as one of the university's KPIs. The target set for the university to achieve is at least 90% by the 2018/19 academic session. Given the move of the remaining academic Schools to the Garthdee campus at the start of the 2013/14 academic session the university recognises there may be an initial dip in satisfaction caused by short-term disruption associated the transition.

Student Satisfaction	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Satisfaction score	87%	87%	86%	86%	87%	88%

AIM 3: RIGHT LEARNING IN THE RIGHT PLACE
Secure coherent provision of higher education provision in Scotland in line with the SFC's statutory responsibilities

Introduction

The university's strategy contains specific objectives to:

- Develop students' capabilities to thrive in an increasingly multi-disciplinary and fast changing world of work
- Lead thinking in the development of professional practice and emerging professions and roles; and
- Engage with employers and professions to develop workforce skills and capabilities to meet the needs of the economy and society.

The university is committed to providing the appropriate portfolio of courses for the region, the achievement of this is evidenced through:

- The high demand of the university's courses both by school-leavers and those articulating from college courses (see earlier section on aim 1).
- The accreditation of such courses through professional and statutory bodies.
- Incorporating placement opportunities within the majority of the university's courses which will be further developed through the funding the university has received for the *Enterprising Together* project (see section 5 later for details).

A significant feature of the university's course portfolio is the high demand for the university's graduates by employers. This is due to a number of features of the university's provision, including the:

- close engagement with employers in the design and approval of all courses;
- involvement of industry practitioners in course delivery and assessment;
- provision of state-of-the-art training facilities;
- development of key transferable skills through the teaching and assessment practices involved in course delivery; and
- provision of effective careers education and support.

NPM 9: STEM courses

The university has a number of initiatives addressing the development of courses within STEM subjects, these include:

- Participating in (and acting as host of) the Oil and Gas Academy Scotland. This partnership will facilitate the industry's access to further and higher education offers from colleges and universities and will allow the institutions to respond in a timely and effective manner to changing skills demands within the industry;
- The additional funded places on the undergraduate Mechanical Engineering programme under the Skills for Growth programme.

Given the fact that the university's portfolio is in strong demand, the university has no strategic plans to significantly alter the balance of its current provision. The university

therefore sees the proportion of entrants to STEM subjects remaining stable over the period of the Outcome Agreement.

Number and proportion of SDUE to STEM students	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
STEM number	414	505	*495*	*520*	*520*	*520*
Total SDUE	2,197	2,338	*2204*	*2204*	*2204*	*2204*
Proportion	18.8%	21.6%	*22.4%*	*23.5%*	*23.5%*	*23.5%*

In this regard it should be noted that a number of subjects that would be included within other broader definitions of STEM subjects (for example Health Sciences and Nursing & Midwifery) are excluded from the one used by the SFC. Equally, it should be noted that within the region the university serves many of the university's non-STEM graduates start employment within industries with a strong STEM element to them, for example the oil and gas industry. In particular, in 2011/12 37.2% of the university's Architecture, Building and Planning Scottish domicile graduates and 30.5% of the university's Business and Administrative Studies Scottish domicile graduates started their career in the oil and gas sector.

AIM 4: A DEVELOPED WORKFORCE
Learners who have the skills, knowledge and entrepreneurial spirit to get a job and progress their career; and institutions that respond to the skills needs of the economy locally and nationally

Introduction

The university's strategy, which aims to inspire all individuals to achieve their maximum potential and excel in the world of tomorrow contains specific objectives to:

- Develop students' capabilities to thrive in an increasingly multi-disciplinary and fast changing world of work
- Motivate students to see themselves as contributors to changing global societies both while students and alumni;
- Help students to become well-rounded individuals capable of contributing to society; and
- Enable students to enrich their personal and professional development through the provision of extensive extra- and co-curricular opportunities.

One of the key strengths of the university over the past decade is the enviable record for graduate employability that has been earned. This has been a significant factor in the increasing recognition and status of the university, both nationally and internationally. As a direct consequence, there has been an increased demand from candidates seeking to study at the university and from employers targeting the university to recruit students.

Nevertheless, the university recognises that maintaining this record for graduate employability will require significant activity. The university's vision for employability (as stated in its strategic statement, entitled 'Employability Plus') is for its graduates to be recognised as the most fit-for-work, innovative, creative and engaged participants in the labour force and the economy and for the university to be recognised for its close engagement with employers. It will do this through:

- maintaining the features of its curriculum which have contributed to a high employability ranking (as specified in the previous section);
- a series of enhancements to be made to the student learning experience recognising that employers are becoming more demanding in what they seek from graduates (this initiative is called Employability Plus and is described below); and
- delivering the SFC-funded SME hub project *Enterprising Together* to deliver a greater number of work placements within regional SMEs (see paragraph below).

The Employability Plus initiative has led the university to implement a range of enhancements to current practices over the period of the Outcome Agreement. These actions include:

- engaging with the SME sector to increase the number and range of work-related opportunities available, particularly for integration within taught postgraduate courses;
- significantly expand formal and optional study abroad opportunities which have already increased in the last three academic sessions;

- provide all students, at the early stage of their courses, with the opportunity to assess their personal values, attributes and motivators, through the provision of a tailored online programme called *Preparing to Succeed*;
- facilitate students to engage in enterprise, leadership, volunteering, cultural or sporting engagements and to reflect on and record the associated personal development through an 'employability passport/profile' and supported by an accredited co-curricula module; and
- expand the range and provision of careers education and support to include international employment opportunities and equipping students with the skills to perform effectively in contemporary recruitment and selection procedures.

The university is pleased to have received funding in the period 2013/14 to 2015/16 to support the establishment of an SME hub. The first year of operation will be the 2014/15 academic session. The university will work jointly with partners to develop the hub including the Federation of Small Businesses, Aberdeen and Grampian Chamber of Commerce and the Scottish Council for Development and Industry. The initiative aims to secure an additional 250 work-based experiences for the university's students with SMEs in 2014/15 and a further 250 in the 2015/16 academic session. While the primary aim is to meet the needs of SMEs through work related activity by students, there is also the opportunity to link with the university's Research and Enterprise Services, consultancy and student enterprise (through the university's Centre for Entrepreneurship).

NPM 10: Student employability

Given the strategic and reputational importance of graduate employability to the university, employability is one of the university's KPIs. The university notes that the Funding Council is awaiting the outcomes of the Scottish Government's review of what constitutes a 'positive destination'. In the interim the university suggests its target for student employability should be based around the university's KPI relating to employability: the HESA performance indicator of the percentage of all full-time, first degree UK domiciled students in full-time employment or further study six months after graduation. The target that has been set is that by 2018/19 the university will maintain its current high performance in both the Scottish and UK rankings of universities. In all probability this equates to a figure of at least 97% over the period of the Outcome Agreement.

	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
HESA Employability PI	97.1%	97.7%	97%	97%	97%	97%

Aim 5: A research base that is internationally competitive and improving its reputation and standing in the world

Introduction

The university's strategy, which aims to be recognised for our contribution to the growth of innovation through advancing internationally excellent translational research in our areas of strategic focus contains specific objectives to:

- Focus and develop ambitious translational research around energy and health that addresses key challenges within these sectors; and
- Create a research environment that nurtures career development and progression, across every level, from a vibrant research community to a successful professoriate.

A research fore-sighting exercise was undertaken in 2012 and established three priority areas of research focus: Oil & Gas; Remote Healthcare; and Energy & Society. The implementation plan for the delivery of a step-change in the provision of research for these industries has been completed and business plans generated for which the university is seeking to secure investment from funding bodies, industry and philanthropic fundraising. The university will engage fully with opportunities to work in collaboration in these chosen thematic areas, as evidenced by our involvement in initiatives such as the Offshore Renewables Institute and the Scottish Informatics and Computer Science Alliance. The scale of the projected step-change is reflected in the target against the university's KPI for research income, which anticipates a quadrupling from £3M in the 2011/12 academic session to £12M annually by 2018/19. It is not anticipated that this step-change will involve SFC funding.

NPM 11: Submission to the Research Excellence Framework (REF)

The primary focus of the university's research community in 2013/14 has continued to be on a high-quality submission to REF 2014. In making its submission the university decided that the focus of each unit of assessment was on submission or world class and internationally excellent outputs. The university has submitted in nine units of assessment:

- Allied Health Professions, Dentistry, Nursing & Pharmacy;
- Computer Sciences & Informatics;
- General Engineering;
- Architecture, Built Environment & Planning;
- Business & Management Studies;
- Law;
- Politics & International Studies;
- Art & Design, History, Practice & Theory, Communication, Cultural & Media Studies; and
- Library & Information Management.

The results of the REF 2014 exercise will be available in December 2014.

NPM 12: Number of research students and assistants

A key part of the university's enhancement of research quality has focused on increasing the university's PhD completion rates which have improved from 53% for the student cohort starting 2001/02 to 83% for the cohort starting 2008/09. Alongside this actions have been taken, including preparation of an application for the Athena SWAN bronze university award, to ensure that early-career researchers are supported so that the future of high quality research is secured.

No of research students and assistants	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Research students	161	tbc	tbc	*210*	*265*	*335*
Research assistants	31	34	tbc	*50*	*65*	*80*

NPM 13: Research income – research councils, charities and EU

The university has increased the amount of income secured from Research Councils and other publicly funded bodies, but this remains a small percentage of the income won overall for research. The university has planned a strategy of developing research links with industry in targeted areas and growing income from the European Framework programmes, particularly Horizon 2020.

The university's translational research ambitions are more likely to be driven by industry sponsored research rather than speculative generation of IP. For this reason, whilst licensing or spinout company activity is not precluded, it will not feature in the step change targets. The university will seek to grow the number of knowledge transfer programmes in collaboration with key SME partners. A wider focus on KTPs and with Innovation Vouchers (see targets related to Aim 6, below) is seen as a significant area of growth. This will enhance our position as one of Scotland's most successful institutions in securing funding in this key collaborative translational research programme.

Sources of research income	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
European Commission	£296k	tbc	tbc	*£1M*	*£1.5M*	*£2M*

AIM 6: UNIVERSITY-INDUSTRY COLLABORATION
Deliver a step change in the engagement of business and industry with universities, removing any barriers to the exploitation of research for economic and wider societal benefit

Introduction

The university's alignment with industry will be realised through two distinct strands of activity:

1. Our commitment to graduate employability and student experience, focusing on collaboration in course design and delivery as well as student projects and placements. There will be a strong focus of engagement with SMEs in this strand which will be taken forward through KTP projects and the SME Hub (the latter is discussed in section 4 of this document).
2. Through our Commercialisation Strategy which the university has defined as 'harnessing all our intellectual and physical assets so that they generate value for the economy and are profitable to the university'.

The university is on a journey towards realising intent of the aim and recognises the scale of challenge and change required to contribute to the step-change anticipated by the Cabinet Secretary and Funding Council. The scale of the projected step-change is reflected in the target against the university's KPI for financial income, contribution and surplus for non-publicly funded activity which anticipates an increase in income and contribution to generate a surplus of £6M before tax annually by 2018/19. Over recent years the university has:

- developed a Commercialisation Strategy, which was approved by the Board of Governors in June 2013;
- delivered successfully a broad range of projects which have built positive relationships with local businesses, including SMEs, and increased understanding of the key criteria for successful university-business interaction. Examples include C4di, DePict and the *Maximising the impact of skills in the oil and gas industry* project;
- increased its activities in relation to knowledge transfer (RGU had the second highest number of KTPs in Scotland in 2012/13) and in relation to contracts with local, national and international businesses, particularly in the area of CPD; and
- developed three key strategic statements for priority areas of Oil & Gas; Big Data; Health & Wellbeing and the Arts & Creative Industries.

Planned actions, which are dependent on our ability to secure initial investment from industry, funding bodies and/or philanthropic fundraising, over the next years include:

- grow our support for oil and gas workforce and skills development nationally and internationally;
- build on our existing research base in environmental technologies, renewable energy, project management and oil and gas finance and economies;
- build our expertise in asset integrity, enhanced oil recovery and big data analytics;
- establish a commercial offering on 'wellness' to support a healthy workforce;
- build on our research expertise in remote healthcare;

- develop models of sustained innovation for companies through design, developing the framework established as part of the Design in Action hub;
- build on innovative training and development programmes to support CPD in our priority sectors, for example the recent establishment of a DART® simulator facility with KCA Deutag within our new building at the Garthdee campus; and
- engagement with initiatives that encourage collaboration across the academic community and with industry such as existing and emerging Innovation Centres, Innovation Scotland, Interface and Easy Access IP.

NPM 14: Performance against Knowledge Transfer indicators

The focus on our priority sectors within the university's Commercialisation Strategy means that, with the exception of the Arts & Creative Industries, our industrial engagement is likely to have a bias towards larger and international entities. This may mean that there is a mis-alignment with the Funding Council's chosen national performance measures. Equally, initiatives with involving SMEs rarely result in direct revenue generation to the university; so there will be little evidence of them in the national performance measures.

Whilst the university will continue to provide the Funding Council with activity in the Knowledge Transfer Grant (KTG), a subset of the return which best aligns to the university's overall commercialisation strategy has been selected for the targets in the current Outcome Agreement. The university is aware of the consultation in relation to the Knowledge Transfer Grant. If the proposal to utilise the HESA Business and Community Interaction survey is agreed, the targets below will be revised to match the appropriate definitions of activity.

Selected Knowledge Transfer metrics	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue from external research grants from industry, commerce and public corporations	£787k	tbc	tbc	*£780k*	*£850k*	*£930k*
Income in CPD from organisations	£2.2M	tbc	tbc	*£2.5M*	*£2.75M*	*£3M*
Income arising from the KTP programme	£392K	tbc	tbc	*£500k*	*£550k*	*£600k*

NPM 15: Participation in the Innovation Vouchers scheme

	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Innovation vouchers awarded	1	tbc	tbc	*4*	*5*	*6*

AIM 7: SUSTAINABLE INSTITUTIONS
Ensure high quality of governance and management for institutions delivering long-term and financially and environmentally sustainable interactions

Introduction

The university's strategy which aims to ensure the university's long term financial and environmental sustainability containing specific objectives to:

- Secure resources that will allow the university to achieve its ambitions in a sustainable way; and
- Renew the university's commitment to an environmentally sustainable campus.

The Board of Governors has articulated a clear framework for ensuring the financial sustainability of the university in the long term. The financial strategy of the university was approved by the Board in June 2013, having been revised in light of the university's new strategy. The university's Financial Regulations and other policies such as the Risk Management Policy lay out the principles by which sound internal control and risk management are achieved. Performance against these is monitored by the Board through its Financial and General Purposes Committee and its Audit Committee. This is in accordance with the Board's published scheme of delegation, which is reviewed annually by the Board's own Working Group on Governance.

The Board of Governors monitors the achievement of the university's strategy through ten key performance indicators (KPIs) and the university's Strategic Planning and Resources Group monitors a basket of wider performance indicators (PIs) that are aligned to the aims of the strategy and underpin the KPIs.

The university's annual planning cycle incorporates the annual appraisal of the university's performance against its PIs and previous year's plans. This summation of the university's performance contributes to the development of successive year's annual Strategic Implementation Plan (SIP) for the university and annual plans for individual Schools, Research Institutes and Departments.

The annual SIP, approved by the Board of Governors, contains a series of actions which express the university's current priorities to achieve its strategy. Both the SIP and individual School, Research Institute and Departmental plans incorporate the identification of risks and their management as well as opportunities for efficiencies. The planning cycle also facilitates the approval of budgets and monitoring of financial forecasts by the Board of Governors.

NPM 16 to 22: Sustainable institutions

Data to demonstrate the university's performance against the seven national performance measures aligned to 'Sustainable institutions' has been drawn from the university's current financial forecast. This forecast is based upon conservative estimates of income and therefore does not fully reflect the scale of the university's ambitions expressed elsewhere in this document. One such example is in respect of the university's research ambitions: these will only be fully incorporated into the financial forecast once clear funding parameters are known. The rate of change in non-funded activities is likewise not fully reflected in the university's financial forecast:

this will be as greater visibility is achieved on our various non-funded projects. As these aspects are developed more fully they will be reflected within the university's financial forecast and this table will be amended in subsequent years. At current, the university currently makes no internal forecasts for its Gross Carbon Footprint, but will review its position for future years. Finally it should be noted that fluctuations in the annual capital and maintenance spend on estates and buildings is due to the current phasing of expenditure on the campus development to achieve the university's Estates Masterplan.

Sustainable institutions	Academic session					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Operating surplus as a percentage of total income	3%	4%	4%	4%	4%	4%
Non-SFC income as a percentage of total income	57%	54.9%	55.8%	55.9%	56%	56%
Current assets: current liabilities ratio	1.08	1.15	1.02	1.23	1.57	1.06
Days cash to expenditure	66	51	58	70	94	60
Earnings before interest, tax, depreciation and amortisation	£10.4M	£11.3M	£10.0M	£11.3M	£12.0M	£12.6M
Annual capital and maintenance spend on estates as a proportion of value of estate	-	12%	7%	5%	1%	10%