UHI NORTH, WEST AND HEBRIDES
A TUATH, AN IAR IS INNSE GALL

Year 2 Merger Evaluation Report

Disclaimer

Author: Steven Gregg, Director - SWG Consultancy Ltd (SC833247)

Acknowledgement

The author is grateful to all internal and external stakeholders for their support in developing this report, and for the time and considered views they contributed.

Table of Contents

List of Tables

List of Figures

This page intentionally left blank.

Principal and Chief Executive's Foreword

It is now more than two years since UHI North, West and Hebrides was formed through the merger of UHI North Highland, UHI West Highland and UHI Outer Hebrides in August 2023. At the request of the Scottish Funding Council, this report provides an honest early evaluation of that merger and of our post-vesting integration journey to date. Recognising our college is still at an early stage of development, this assessment examines whether the benefits we set out in the *Rural and Islands College Merger Proposal and Business Case* are starting to be realised. We have also reflected on how our merger experience has equipped the college for potential future change through the wider UHI Transformation agenda, including any lessons learned. This is not an inspection or audit. It's an opportunity for us to tell our own story - to highlight the progress we've made, to be honest about the challenges, and to identify what will help us most as we move forward in our own post-merger journey.

It is important to be clear about what mergers are and are not intended to achieve. Mergers are not ends in themselves, and they do not, by default, create better outcomes. When done well, they provide the platform to do things differently: to strengthen resilience, combine scale with local presence, and create more equitable opportunity for people and communities that have too often been on the margins of the system. When done badly, they risk becoming inward-looking exercises in structural rearrangement that absorb time and energy without improving the lives of those whom we serve. Crucially, no merger can, on its own, compensate for the absence of sustainable long-term funding, or correct historic funding inequities for rural and island provision.

In our case, the merger was driven by a shared ambition rooted in social justice to create a stronger and more sustainable tertiary anchor institution for Scotland's most remote rural and island communities, one capable of pioneering new models of learning, research and innovation overcoming inherent disadvantages of distance and geography. Its purpose was to widen access, support inclusive economic growth, and enable more people to pursue education, skills and high-value employment without having to leave their communities behind, helping to address a historic pattern of outward migration that has long beset the Highlands and Islands.

We expected this merger to allow us to do more than simply survive, but to help us thrive. We expected it to give us the scale and capacity to pioneer new approaches to access, delivery and partnership, to reimagine how tertiary education can work when the 'campus' comes to the learner, rather than the learner having to leave their community behind to access opportunity. We expected it to help us build deeper, place-based partnerships with employers and communities, and to support inclusive growth and community wealth building in ways that highly centralised models cannot.

Mergers of this kind are inherently difficult. They require courageous leadership, sustained commitment and collective resolve. I want to place on record my sincere thanks to the Boards of the three legacy colleges, whose vision and determination made this merger possible. Their willingness to take difficult decisions in the long-term interests of learners and communities laid the foundations for the institution we are now building.

Transformational change on this scale brings inevitable disruption. Colleges are made by people, for people. This merger has taken place alongside unprecedented financial pressure across the college sector, with real-terms funding reducing by around 20% since 2021–22. Against that backdrop, I want to express my profound thanks to our academic and professional services staff, who have continued to put our students first, maintaining high-quality delivery, and supporting one another while navigating whole-organisation transformation and the transition to a new college.

This report shows that we have laid strong structural foundations: a single, integrated institution of scale and credibility, supporting around 9,000 students and 550 staff across 19 centres and campuses spread across a geography larger than Wales. We have stabilised the organisation financially relative to the counterfactual; protected curriculum breadth and progression pathways; created new and more flexible access to learning for rural and island communities on campus, in workplaces and online; and consolidated our world-leading research and knowledge exchange linked to the environment, net zero and place-based innovation, supporting sustainable development, regional prosperity and knowledge advancement. Consolidated systems, single strategies and an integrated structure now underpin consistent delivery, quality and compliance across our operations, while student satisfaction has remained high and, in some areas, improved since vesting. Together, these foundations demonstrate what an innovative, distributed tertiary education model can look like in practice.

It also shows clearly that there is still work to do. Creating a shared culture takes time, trust and sustained attention, particularly in an organisation operating across such a dispersed rural and island landscape. The disruption experienced by staff has been real, and building confidence in the new college, consistency of experience, and strengthening engagement and wellbeing are now our central priorities in working together with staff and students.

This merger is nationally significant. It is the first college merger of its type since Scottish college regionalisation more than a decade ago, and this report represents the first comprehensive, detailed and candid early evaluation of its kind. As Scotland's college and university sectors consider how best to adapt for a more sustainable future, and as UHI develops its partnership-wide case for transformation, we hope that the evidence and lessons set out here will be of value beyond our own institution.

The report is clear that the benefits of merger cannot be realised through cost reduction alone. If we are to grasp the once-in-a-generation opportunity presented by major regional investment and economic transition, sustained and strategic investment in people, capacity and innovation will be essential. Our merger provides the platform to rethink and reimagine tertiary education for 21st century Scotland: rooted in place, embedded in communities, enabled by advanced technologies and shaped by partnership with employers and learners.

I want to thank our staff, students, trade unions, local authorities, employers, community partners, UHI colleagues and the Scottish Funding Council for their engagement and support throughout the pre- and post-merger period, and their time, sincerity and care in giving feedback to help create this merger evaluation report. I am indebted to our Board of Management for its unwavering and strategic stewardship and constructive challenge as we navigate further consolidation and change. I also wish to place on record my thanks to the members of our three Local Advisory Committees, established through the merger to ensure we remain firmly grounded in our local mission and responsive to local opportunity. Their role, working alongside and informing the Board of Management, represents an important sector innovation, strengthening local voice, place-based accountability and community connection within a single merged institution.

This report is not an endpoint. It is a marker of progress, a statement of intent, and a shared commitment to continue learning together, as we build the next chapter of UHI North, West and Hebrides.

Lydia Rohmer

January 2026

Executive Summary

This Year 2 Merger Evaluation Report reviews UHI North, West and Hebrides against the ambitions set at its creation. It finds a college that has delivered the core structural outcomes of merger, strengthened institutional resilience in a difficult sectoral environment and begun to develop capacity to serve its region. Full benefit realisation now depends on a shared institutional vision, targeted investment, rebuilding trust with staff and strengthening relationships with key stakeholders.

The report restates the merger rationale and ambitions providing a summary of the evaluation approach. The operating context is set out plainly: funding pressure, rurality/island constraints, demographic decline, set against the backdrop of UHI Transformation. These factors shape the college's development and staff confidence.

The structural foundations for a single college are now in place. Merger has created the opportunity for a more sustainable organisation to emerge from three financially fragile institutions, delivered early efficiencies and expanded curriculum reach. Benefits dependent on culture, capacity and growth remain in progress rather than complete.

Stakeholder feedback recognises gains but voices strong concern about workload, communication, identity and continual change. Staff broadly understand the financial pressures and embrace operational efficiency but report uneven experiences and uncertainty about the future. Staff seek a period of consolidation, and confidence in the college's readiness for UHI Transformation and its likely impact remains notably low.

Major risks include the sectoral financial climate (approximately 20% reduction in real-term college funding since 2021-22), staff wellbeing, and cultural integration. Other risks include a fragile rural and island geography with 19 campuses and centres, inconsistent student experience and uncertainty arising from UHI Transformation. Further efficiency savings are required, which may harm stabilisation efforts. Some risks can be mitigated internally; others are externally constrained.

The report identifies clear alignment between ambitions of the merger and UHI Transformation. Securing buy-in to UHI Transformation will require recognition of the distinctive character of place-based further education, and shared understanding of what staff can expect from consultation. The college is well positioned to take a central role in influencing UHI Transformation if merger lessons learned are taken account of, but staff currently perceive this not to be the case, leading to further anxiety.

The report differentiates between corporate and perceived benefits, concluding that the college emerges structurally stronger, but culturally unfinished. Most curriculum provision has been protected for the present, but day-to-day experience for staff and students is inconsistent. There is a need for stability and consolidation, with a renewed focus on people and place, to increase the likelihood of further merger benefit accrual.

Glossary and Definitions

Colleges Scotland: the representative body for Scotland's colleges, providing policy, advocacy and sector leadership.

ELT: Executive Leadership Team, made of the college's Principal and Chief Executive Officer, Vice Principal - Academic, Vice Principal - Resources and Enterprise (Chief Financial Officer), and Vice Principal - Strategic Development.

HIE: Highlands and Islands Enterprise, The Scottish Government's economic and community development agency for the Highlands and Islands.

Legacy college: the pre-merger colleges, UHI North Highland, UHI Outer Hebrides and UHI West Highland.

Local Advisory Committee: UHI North, West and Hebrides sub-regional advisory bodies established to maintain local voice and community engagement post-merger in each of the legacy college areas (North Highland, Outer Hebrides, West Highland).

RSB: Regional Strategic Body, under The Post-16 Education (Scotland) Act 2013 an organisation responsible for the planning, delivery and oversight of further education in a region through assigned colleges.

Rural and Islands College Merger: the project that led to the creation of UHI North, West and Hebrides.

SEAP: Self-Evaluation Action Plan required annually by SFC and submitted by UHI North, West and Hebrides to UHI.

SFC: Scottish Funding Council, national public body responsible for funding and oversight of Scotland's further and higher education institutions.

SMT: Senior Management Team, the managers with operational responsibility beneath Executive Leadership Team.

UHI Executive Office: the legal entity of the University of the Highlands and Islands (Company Number SC148203). UHI Executive Office acts as the Regional Strategic Body for the colleges in the UHI partnership.

UHI North, West and Hebrides: the college created through the merger of UHI North Highland, UHI Outer Hebrides and UHI West Highland.

UHI partnership: collective term for UHI Executive Office and its academic partners, e.g. Highland Theological College, Sabhal Mòr Ostaig, SAMS, UHI Argyl, UHI Inverness, UHI Moray, UHI North, West and Hebrides, UHI Orkney, UHI Perth, and UHI Shetland.

1. Introduction

1.1. Background

On 1st August 2023, UHI North, West and Hebrides became Scotland's newest college. The first major milestone of the Rural and Islands College Merger Project, vesting day marked the culmination of two years' preparation. The vesting joined the legacy colleges UHI North Highland, UHI Outer Hebrides and UHI West Highland to create a regional college of unprecedented geographic coverage and significant scale, with the aim of being stronger and better together.

The aspiration for the merged college was to be 'a collaborative, inclusive and strategic partnership which builds on the excellence, expertise and aspirations of the three current colleges'.[1]

1.2. Rationale for Merger

The concept for the merger grew from a report by Rockborn Management Consultants commissioned by UHI Executive Office in summer 2021. The report identified generic benefits that could be realised from mergers, including creation of a single governance and management team, coherent curriculum oversight, elimination of competition between UHI partners, improved resource management and increased spend on frontline services.[2]

The rationale was developed from generic benefits of college mergers and evidence of successful mergers in other areas, and sought to address challenges specific to the three colleges, including:

- Long-term financial sustainability
    - The legacy colleges were in deficit budget positions.
- Limited ability to capitalise on opportunities
    - Large economic developments such as ScotWind and the Inverness & Cromarty Firth Green Freeport require a response at scale which the colleges found challenging to meet.
- Staff being thinly spread across multiple roles
    - Multiple potential points of failure across academic and professional services roles, leaving the colleges operationally vulnerable.

The Rockborn Report was not unqualified in its support for mergers, noting that they can be 'difficult, costly and distracting and it can take some time to realise the benefits'.

---

[1] UHI North Highland, UHI Outer Hebrides and UHI West Highland (2022). *Rural and Islands College Merger Proposal and Business Case*, p.20. Available online: Link.

[2] Rockborn Management Consultants (2021). *UHI Options Appraisal*, p.10.

Furthermore, it was noted that it is vital 'the change process is properly planned and resourced', with benefits realisation unlikely to take place before Year 3.[3]

1.3. Merger Evaluation Report Methodology

The Scottish Funding Council (SFC) set a requirement for the college to produce a Year 2 Merger Evaluation Report. In a report on the large programme of college mergers between 2010 and 2013, the SFC noted that it was around the end of Year 2 that benefits became tangible and measurable in comparison to earlier in the process.[4]

The Principal and Chief Executive of UHI North, West and Hebrides set out a framework for the Merger Evaluation Report in a paper endorsed by the college's Audit and Risk Management (ARM) Committee in May 2025. SWG Consultancy Ltd were engaged in August 2025 to lead the development of the Year 2 Merger Evaluation Report.

The Merger Evaluation Report builds upon two previous reports led by UHI Executive Office's Transformation Team, who provided extensive support to the Rural and Islands College Merger project from its initiation:

- The first report reviewed Phase 2 of the Rural and Islands College Merger from September 2021 to vesting on 1st August 2023.
- The second report reviewed the Post-Merger Integration phase from 1st August 2023 to 31st October 2024, at which time UHI Executive Office's direct support of the merger activity ended.

The reports analyse in detail the processes that led from the merger initiation through to October 2024. The main findings from these reports are summarised in Section 1.6, and analysed in detail in Appendix 2.

This Merger Evaluation Report provides a detailed body of information for the college Board of Management, Committees and Executive Leadership Team to develop strategies and action plans that take UHI North, West and Hebrides forward over the coming years towards a final merger review at the end of Year 5.

As part of the Merger Evaluation Report a significant amount of stakeholder engagement was undertaken in November and December 2025 through a Staff Survey, Focus Groups, Employer and Industry Partner Survey, and interviews. These are summarised in Section 4 and detailed analysis set out in Appendix 5, Appendix 6 and Appendix 7.

Risks identified through report development are discussed, alongside mitigation measures for the college to consider. The college's readiness and strategic positioning

---

[3] *Ibid.,* p.109.
[4] Scottish Funding Council (2016). *Impact and Success of the Programme of College Mergers in Scotland*. Available online: link.

for the UHI Transformation is considered by assessing the merger against the intended benefits set out in the Outline Business Case in Section 6.

1.4. Assessment Framework

A major challenge in undertaking an assessment of the merger process is accurately reflecting the vast scale of the work undertaken by staff whilst tying the work back to key merger deliverables and producing a report of appropriate brevity.

In order to meet this challenge, an Assessment Framework was developed to support the Year 2 Merger Evaluation Report. The Assessment Framework is a tool for measurement of success against the Rural and Islands College Merger Proposal and Business Case that was extensively consulted on with staff, students, the public and stakeholders.[5] The Assessment Framework was developed using the aims, opportunities and benefits identified in the Merger Proposal and Business Case.

The Assessment Framework contains the following sections, with references to the relevant sections of the Rural and Islands College Merger Proposal and Business Case:

Table 1: Assessment Framework Summary

Section	Contents	Reference
A: Annual Milestone Achievement Summary	Series of milestones from Year 0 through to Year 3	p13
B: Key Themes Supporting the Case for Merger	Description of eight Key Themes with Opportunities and Benefits	pp.25-29
C: Key Merger Deliverables to End of Year 2	Description of seven areas with associated Key Merger Deliverables	pp.10-13
D: Progress Against Merger Objectives	Description of Benefits associated with six Key Aims	p.12 and p.13

Full analysis of the Assessment Framework based on commentary by UHI North, West and Hebrides staff is set out in Appendix 1, and is summarised in Section 3.

1.5. UHI Transformation

UHI Transformation is a change programme led by UHI Executive Office with the aim of enhancing the operating model of the partnership, strengthening financial sustainability and improving governance, management and operation efficiency. It seeks to reduce duplication, improve consistency of learner experience, strengthen academic governance, and ensure delivery of a coherent tertiary curriculum across the region.

[5] UHI North Highland, UHI Outer Hebrides and UHI West Highland (2022). *Rural and Islands College Merger Proposal and Business Case*. Available online: Link.

Financial benefits from UHI Transformation are key to UHI North, West and Hebrides becoming financially sustainable, and around £1m of financial benefits from UHI Transformation have been factored into the college's 3 Year Financial Recovery Plan.

A UHI Transformation Outline Business Case published in early 2025 sets out a series of potential high-level structural changes designed to move the partnership towards a more efficient model. These include revisions to faculty structures, streamlined academic governance, reallocation of selected corporate functions, and changes to financial flows between UHI Executive Office and the academic partners. The programme is being developed through a phased approach, with a Full Business Case expected in early 2026. If endorsed, consultation on the Full Business Case will take place in 2026.

The analysis in this report is based on the Outline Business Case published in early 2025. Further details are available online[6] and in Section 2.3.

1.6. Summary of Previous Reports

The previous college merger reports highlighted:

- The merger successfully created a single, unified institution under challenging financial and operational conditions.
- Strong staff and stakeholder engagement was central to success, driven by exceptional commitment and teamwork across all campuses.
- Early leadership continuity is essential – future programmes should avoid gaps in key roles and ensure clear governance structures from the outset.
- Financial planning must include consistent, forensic due diligence and early standardisation of finance, HR and ICT systems.
- Staff capacity pressures highlight the need for dedicated merger resources, realistic timelines, and active wellbeing support.
- Culture and communication require equal priority: 'little and often' updates, in-person engagement, and early stress-risk assessment should be standard practice
- Future transformation programmes should focus on embedding sustainable structures, performance management, and continuous improvement beyond vesting.

Further detail is available in Appendix 2.

[6] UHI Transformation

2. Year 2 Merger Analysis Contextualisation

2.1. Background

Since the Rural and Islands College Merger project was formally initiated in 2021 there have been a series of unforeseen geopolitical events, sectoral developments, legislative changes, and the emergence of the UHI Transformation agenda that have had an impact on the merged college. These include:

- Long-term impact of the COVID-19 pandemic
- Russian invasion of Ukraine and impact on energy prices
- UK-wide economic factors, e.g. cost of living increases, high rates of inflation, September 2022 mini-budget economic impacts, October 2024 budget, including employers' National Insurance contributions increase
- Higher and further education trends e.g. slow recovery in UHI partnership for HE recruitment, decline in recruitment of international students, financial situation of institutions across Scotland, excess demand for FE compared to credit supply
- Local socioeconomic factors e.g. lack of affordable housing, competition for staff due to major economic developments, issues with transport connectivity and reliability, particularly ferries.

Recent research by Diffley Partnership, *Scotland's Rural Voice*, reinforces the operating challenges of UHI North, West and Hebrides. It shows that rural Scotland is experiencing population decline alongside rapid ageing, with younger people significantly more likely to leave, driven primarily by lack of employment opportunities, housing and public transport rather than dissatisfaction with rural life itself.[7] While rural residents report high satisfaction with their quality of life and communities, satisfaction with infrastructure, housing, transport, the local economy and public services is markedly low, with 80% agreeing there has been a lack of investment in rural infrastructure and only 15% believing services meet rural needs.[8]

The report also highlights a strongly perceived democratic deficit, with a clear majority of rural residents believing decision-makers do not understand rural needs and that rural communities lack a meaningful voice, alongside strong support for greater local decision-making power.[9]

Research by SRUC reinforces that rural and remote areas are experiencing accelerating population ageing, with working age populations falling sharply and consistent youth out-migration for education and employment.[10]

[7] Diffley Partnership (2025) *Scotland's Rural Voice*, pp.1, 8-11. Available online: link.
[8] *Ibid*., pp.6-7, 12.
[9] *Ibid*., pp.14-15.
[10] SRUC (2025) *Demographic change and out-migration in rural and island Scotland*. Available online: link.

The evidence set out above shows that alongside challenges faced from geopolitical events, legislative changes and UHI partnership developments, UHI North, West and Hebrides' area is one of the most demographically challenged areas of Scotland, and this will have a real impact on recruitment, curriculum viability, and staffing, in addition to the sectoral changes described in Section 2.2. Further socioeconomic analysis is set out in Appendix 3.

2.2. Sectoral Landscape

The further and higher education sectoral landscape faces numerous challenges that impact UHI North, West and Hebrides directly and indirectly. Some of these challenges have been developing for some time, others are new and some have become more serious due to external factors.

2.2.1. Further Education

The SFC's September 2025 report, *The Financial Sustainability of Colleges in Scotland 2022–23 to 2027–28*, describes an 'extremely tight fiscal environment' shaped by rising staff costs, static funding settlements manifesting as real-term cuts, high utility prices and the additional pressures of maintaining an ageing estate, including issues related to reinforced autoclaved aerated concrete (RAAC). The SFC warned that, based on three-year forecasts, 'most colleges are not sustainable.'[11]

In October 2025, Audit Scotland published its own retrospective review of college finances, echoing the SFC's concerns. It found that colleges are operating 'in an extremely difficult financial landscape,' noting a 20% real-terms reduction in public funding over the last five years, a 7% reduction in the college workforce in 2023–24, and seven of twenty-four colleges reporting a deficit in that same financial year.[12]

Despite these pressures, student satisfaction remains high. According to the SFC College Student Satisfaction and Engagement Survey 2023–24, 94% of full-time FE students reported being satisfied with their overall experience.[13] However, the combination of financial contraction, cost inflation, and staff reductions is likely to impact future delivery capacity and the ability of colleges to meet the needs of students and employers.

The January 2026 Scottish Budget included a 10% increase in funding for the sector, but as noted by Colleges Scotland the uplift does not restore funding to the same position as 2021/22, since when there have been 20% real-term cuts.[14] Much of this funding will

[11] Scottish Funding Council (2025). *Financial Sustainability of Colleges in Scotland 2022–23 to 2027–28*. Available online: link
[12] Audit Scotland (2025). *Scotland's Colleges 2025*. Available online: link
[13] Scottish Funding Council (2024). *College Student Satisfaction and Engagement Survey 2023–24*. Available online: link
[14] Colleges Scotland (2026) Draft Budget delivers results for colleges

cover costs already budgeted for, including additional employer National Insurance contributions, pension costs and national pay bargaining awards in excess of 3%. This means the amount left available for an increase in underlying teaching grant will be significantly less than the headline figures.

2.2.2. Higher Education

Across Scotland, the Higher Education sector is facing the SFC describes as a 'structural sustainability challenge.'[15] While most universities have sought to maintain academic quality and student support, the combination of static funding, reduced international income, and rising costs presents a material risk to institutional resilience.

Since 2018, the financial position of Scotland's university sector has steadily weakened, with most institutions now reporting reduced surpluses or operating deficits. The SFC's recent publication *Financial Sustainability of Universities in Scotland 2022–23 to 2026–27* highlights several interlinked pressures that have intensified since the pandemic and into 2024–25:

- Funding erosion
    - Core public funding has failed to keep pace with inflation, leading to a real-terms decline in government support and tightening margins across teaching and research activity.
- Rising cost base
    - Pay awards, pension liabilities, and utilities costs have increased sharply, while maintenance of ageing estates and investment in digital infrastructure continue to require significant capital outlay.
- Reduced international recruitment
    - Declines in international student enrolments (driven by visa changes, global competition, and reduced affordability for overseas students) have undermined a key source of discretionary income for several Scottish universities, particularly those outside the central belt.
- Staffing reductions
    - In response to cumulative pressures, a significant number of universities have implemented or planned voluntary and compulsory redundancy programmes, including UHI Executive Office.

From a research and knowledge exchange perspective, Brexit has had a notable negative impact. The withdrawal from EU research programmes and reduction in EU student numbers have narrowed income diversification and collaboration

[15] Scottish Funding Council (2025). *Financial Sustainability of Universities in Scotland 2022–23 to 2026–27*, p.3. Available online: link

opportunities, as summarised by Highman, Marginson and Papatsiba in 2023 article citing 'multiple negative effects and no new opportunities after Brexit'.[16]

UK Research and Innovation (UKRI) have recently described a sustainability gap caused by the funding going into the system falling short of the Full Economic Cost of world-leading research activities.[17] This gap is widening due to socioeconomic factors discussed in Section 2.1 and Appendix 3. In a recent report Professor Anton Muscatelli analysed the role of Scottish universities in regional economic growth, describing them as the 'home of ingenuity and transformational discovery research',[18] but like UKRI highlighting the issue of work not being undertaken at Full Economic Cost, increasing reliance on institutional cross-subsidy.

2.3. UHI Transformation

The UHI Transformation, outlined in Section 1.5, aims to reshape system governance, academic structures and deliver financial efficiencies across the partnership. For UHI North, West and Hebrides, the programme has become a significant contextual factor influencing operational planning, delegated decision-making, and staff confidence. While the long-term intention is to deliver a more coherent and sustainable tertiary model, evidence gathered for the report shows that the transitional period has negatively affected staff wellbeing and confidence during the post-merger period.[19]

Implementing a new operating model across a partnership as complex as UHI will be a significant undertaking, with potential risks including timeline delays, difficulties in achieving consensus among partners, unmet stakeholder expectations, and finances.

2.4. Staff Ambassadors, Industrial Relations and Staff Wellbeing

2.4.1. Staff Ambassador Programme

The Staff Ambassadors group was launched in March 2024. The Staff Ambassadors provided a forum for informal discussion and consultation with senior management. Their role was to champion the employee experience, help shape the organisational culture, and lead change through a solution-focussed approach.

Staff Ambassadors did not replace the more formal ways staff could make their views known, particularly on organisation design proposals and consultation approach. Staff

---

[16] Highman, L., Marginson, S., & Papatsiba, V. (2023). Higher education and research: multiple negative effects and no new opportunities after Brexit. *Contemporary Social Science*, *18*(2), 216–234. https://doi.org/10.1080/21582041.2023.2192044
[17] UK Research and Innovation (2025) *Research financial sustainability: insights paper 2025*. https://www.ukri.org/publications/research-financial-sustainability-insights-2025/research-financial-sustainability-insights-paper-2025/
[18] Muscatelli, A. (2025). *Independent Report on Regional Economic Development in Scotland*, p17. Available online: link.
[19] See Section 4.4.4

were encouraged to engage with the Staff Ambassadors on any employee experience matter/issues arising, so they could help represent the staff voice at a senior level.

2.4.2. Industrial Relations

A comprehensive organisational design process was substantially completed by 30 June 2024. However, following a collective consultation process, a formal joint dispute was lodged on 25th June 2025 by the trade unions Further Education Lecturers' Association (EIS-FELA) and UNISON.

UNISON wrote to UHI North, West and Hebrides on 18th December 2024 to confirm closure of the dispute between the college and UNISON.

The dispute between EIS-FELA and UHI North, West and Hebrides continued and went to Stage 3 of the dispute resolution procedure which is part of the Local Recognition and Procedure Agreement. This involved three members of the Board of Management.

The dispute was closed in May 2025, with the agreement that the issues raised by EIS-FELA would be addressed through other channels.

2.4.3. Staff Wellbeing

As part of the dispute resolution, staff were sent the Health & Safety Executive Management Standards Indicator Tool survey on 1st May 2025. The Tool is a 35-question survey covering the six main work-related stressors. Based on strong evidence about how work design affects health, it helps organisations gauge how effectively they are managing stress risks by showing how staff rate current performance.

The HSE Management Standards Indicator Tool survey was completed by 234 staff (45% response). The survey found that:

- The college scored below the 25th percentile in six of seven domains: Demands, Management Support, Peer Support, Relationships, Role, and Change
- Workload intensity, unclear or conflicting roles, poor management of organisational change, and strained relationships were key issues
- Bullying (23.4%) and harassment (40.4%) were reported at notable levels.
- The Net Promoter Score is -54, signalling low morale and advocacy
- The PHQ-4 mental health measure shows around 42% of staff with moderate or severe anxiety/depression symptoms
- Concerns were reported around digital overload and poor communication of change

In response to these results a Rapid Response Group was set up to review, analyse, and respond promptly to concerns and themes identified in the survey. With the assistance of Investors in People (IiP) as external facilitators, the Rapid Response Group was tasked with developing and overseeing targeted actions aimed at reducing work-related stress, improving staff wellbeing, and fostering a supportive organisational culture.

The Rapid Response Group held their first meeting on 11th September 2025. The representatives of the group worked closely with IiP's external facilitator. One of the first agreed actions from the group was for the external facilitator to conduct confidential interviews and focus group discussions across campuses and departments to help to understand the underlying reasons for the results of the HSE survey results.

A sample of staff across all centres and departments were interviewed over a period and an action plan was developed following the outcome of the interviews. The sample was selected by IiP as an independent body using their tried and tested protocols to ensure a spread of roles and geographies.

The IiP report highlighted:

- Pressures linked to workload, unclear roles, cultural fragmentation after merger, weak communication, and limited senior leadership visibility.
- Local team support is strong, but trust in senior leaders is low and structural complexity creates confusion.
- Bullying and harassment reports are limited but concerning, with unclear reporting routes.
- Wellbeing support exists but is inconsistent and poorly communicated.

IiP recommended a phased action plan to address workload, role clarity, leadership behaviours, communication, dignity and respect, and to develop a coherent wellbeing strategy, with the Rapid Response Group coordinating delivery.

The Rapid Response Group formulated a proposed set of priority actions with suggested timelines for the issues the Group felt were most pressing and for projects which the Group believed will have the greatest impact to improve the working environment.

The Group proposed priority actions for the first three months, focusing on:

- An urgent review of the curriculum structure, workload and related processes
- Expanded and more visible management engagement with staff through regular meetings, campus presence, drop-in sessions and senior leader participation
- A refreshed and relaunched Dignity at Work Policy with associated training
- The establishment of a Staff Voice Council to strengthen staff representation

Additional short and long-term initiatives have also been identified for phased implementation.

3. Progress Against Merger Objectives

3.1. Introduction

This section of the report assesses progress against the merger objectives using the Assessment Framework. Making the decision to commence a merger in the Scottish college sector was a significant undertaking. Due to the amount of time that had elapsed since the last comparable merger, much of the sector and SFC's practical experience had diminished, meaning the merger effectively began from a standing start.

UHI North, West and Hebrides' experience of merger has not been particularly unusual in comparison to other Scottish college mergers. The major differentiators between this and previous mergers are the large geographic scope of the college and the emerging UHI Transformation agenda. Analysis of previous mergers is summarised below and described in detail in Appendix 4:

- Scottish Parliament Committee Regionalisation Enquiry (2023)
    - Reported clearer regional identities and more coherent curricula were achieved, with improved collaboration across schools, universities and employers. However, multi-campus cohesion, financial sustainability, estate pressures and rising expectations for flexible and hybrid delivery remain ongoing challenges.
- SFC Merger Programme Report (2017)
    - Found that mergers delivered significant efficiencies and reduced duplication, strengthening curriculum coherence and employer engagement. They were more complex and disruptive than anticipated, with persistent challenges around culture change, systems integration, staff wellbeing and governance, requiring sustained leadership and long-term investment.
- EIS-FELA Report (2015)
    - Staff survey evidence highlighted negative impacts on morale, communication, local identity and student support, exacerbated by funding cuts and severance approaches, raising concerns about whether educational benefits were fully realised.

The evidence in the reports summarised above and gathered for the Year 2 Merger Evaluation Report suggest that the sector itself has struggled to absorb the lessons learned from previous mergers, resulting in the loss of corporate knowledge and some mistakes being repeated. This potentially left the college at a disadvantage going into the merger process, which was exacerbated by expected funding for Phase 3 work (including cultural change) not materialising or being offered in less favourable forms.

3.2. Summary

3.2.1. What the merger has delivered

Across its first two years, the merger has delivered the core structural and organisational outcomes set out in the Merger Proposal and Business Case. A single college has been established with unified governance, aligned systems, a consolidated organisational structure and a coherent tertiary curriculum operating across a highly dispersed, fragile rural and island geography with 19 campuses and centres. Significant cost savings and efficiencies have been made to improve the financial position of the merged college relative to the counterfactual, management layers have been reduced, and key corporate functions have been consolidated and standardised. Externally, the merged college has sought to reinforce its credibility as a regional anchor institution, evidenced through leadership roles in major initiatives, strong student satisfaction metrics and national recognition in sectoral awards. Taken together, these outcomes represent substantial progress in challenging sectoral and financial conditions.

3.2.2. What the merger has not delivered

Benefits dependent on culture, capacity, confidence and growth remain incomplete and unevenly experienced. Anecdotal evidence from other college mergers suggests cultural development can take more than 5 years, and UHI North, West and Hebrides did not receive the expected Phase 3 funding to support with this element. While corporate and system-level integration has advanced, many staff do not yet experience the benefits of merger in day-to-day working life. Workload pressures, loss of curriculum leadership roles, industrial relations challenges, and the pace and sequencing of change have significantly affected morale, trust and organisational cohesion. Financial assumptions embedded in the original merger logic, particularly around generating surpluses for reinvestment, are no longer achievable in the current funding environment. As a result, some intended benefits have been deferred, diluted or remain aspirational rather than realised.

Businesses and external partners have concerns about the college's local presence, industry engagement and ability to respond in an agile fashion to current and future needs. Concerns about UHI Transformation and prospect of further change, particularly the risk to the college's place-based further education mission, is present in feedback from many stakeholders. Nearly all stakeholders believe that lessons learned from the college merger are not being taken account of in the UHI Transformation process.

3.2.3. Implications for Years 3-5

The evidence indicates that the priority for the next phase is consolidation with only essential structural change. Years 3-5 should focus on translating corporate and structural gains into a more consistent and sustainable experience for staff, students and communities. This will require stabilising delivery, addressing workload and curriculum leadership concerns, rebuilding trust, and strengthening place-based engagement. While the merged college is structurally better positioned to respond to regional and national priorities, financial sustainability and further benefit realisation will depend on external investment, realistic sequencing of change, and careful navigation of UHI Transformation. Without a period of consolidation, there is a material risk that further change will erode confidence and undermine the gains achieved to date. Work has already started to address some of these concerns, and the January 2026 Scottish Budget may provide some relief from the immediate financial pressures despite much of the uplift being accounted for by committed costs.[20] The college must consider the views of external stakeholders and leverage the goodwill that exists in communities to realise benefits promised by merger. Strengthening of relationships, particularly those that are likely to deliver funding and resources, should be prioritised to ensure the needs of local communities and industry are met.

[20] See Section 2.2.1.

3.2.4. Merger Highlights

Anchor institution	Resilience and sustainability	Innovative tertiary education	Excellent student experience
• Inverness & Cromarty Firth Green Freeport	• £3m savings achieved	• CECA Academy, Fort William	• 95% student satisfaction
• Islands growth deal: Stornoway Technology and Innovation Centre; TalEntEd; Islands Centre for Net Zero	• Single strategies and integrated structures for delivery, quality and compliance	• Digital and hybrid learning widens access for rural and island adults, in work and returners	• 88% further education students progressed to work and study
• Commercial activity and strategic partnerships	• Campaigning for review of rurality funding and Distant Islands Allowance	• Learn in Uist campaign	• Multi service community hubs
• Skills engine for regional economy	• Supporting 550 staff in economically fragile areas	• Lifelong Learning Campus, Thurso	• 33 high schools, 1,000 pupils: wider subject choice and access to over 300 courses
• Embedded for inclusion, growth, innovation and community wellbeing	• 3-year plan to reduce operating deficit	• Strong rural and island voice to curriculum planning	
Thriving communities and place	**Enhanced research**	**Impactful economic investment**	**Enabling culture**
• Fort William STEM campus	• Areas critical to our economies: Energy, pollution, one health, peatlands, sustainable tourism and development	• Focus North	• Gaelic language strategy and plan
• Creed Hydrogen Skills and Innovation Centre, Stornoway	• Instrumental in securing UNESCO world heritage status for the Flow Country	• Workforce North	• Partnership with e-Sgoil
• Maritime and off-grid energy hub, Mallaig	• Research scholarship progression embedded throughout tertiary structure	• Uniquely positioned to support Scotland's Just Transition	• Cnoc Soilleir hub for Gaelic arts, music and learning
• Easter Ross Engineering Centre			

3.2.5. Curriculum Redevelopment

3.2.5.1. Tertiary curriculum review and redevelopment

In the first academic year following merger (2023/24), the college continued to deliver three legacy curriculum offers. This transitional arrangement recognised the need to maintain continuity for learners and staff while a more fundamental redesign of the tertiary curriculum was undertaken and background systems such as SITS prepared.

During 2023/24 the college undertook a comprehensive tertiary curriculum review. The review was intended to address structural weaknesses in the inherited curriculum, while safeguarding subject choice across a highly dispersed rural and island geography. Its objectives were to improve access, strengthen quality and coherence, enhance progression pathways, reinforce connection to place and stakeholders, and increase long-term financial and operational sustainability. These objectives were aligned with the wider sustainability and development priorities of the merged college.

The intended outcomes of the review were:

- Maintain breadth of subject provision while reducing unnecessary duplication
- Widen access across the region through selective expansion of digital delivery
- Simplify the student journey by streamlining overlapping programmes at the same SCQF level
- Strengthen progression routes
- Improve financial sustainability

A key principle was that curriculum change should be demand-led and responsive to place, rather than driven solely by structural consolidation.

The review followed a three-phase methodology consistent with established practice in the tertiary education sector and previously applied by the legacy colleges. It was informed by the *Rural and Islands College Merger Proposal and Business Case*, pre-merger curriculum work undertaken in 2022/23, national and local skills demand, external and internal performance data, and relevant enabling strategies. All programmes were assessed against five core measures: demand, optimised delivery, financial viability, key performance indicators, and strategic alignment with national and local priorities. The review also incorporated the outputs of the UHI 2024 higher education curriculum review.

The review was undertaken within annual SFC guidance, which continues to shape the scale and balance of delivery across the college sector. Sector-wide guidance for academic year 2023/24 resulted in an effective 10% reduction in further education (FE) delivery capacity compared with pre-merger arrangements, creating a more constrained operating environment for curriculum redesign.

3.2.5.2. Further education – full-time provision

Prior to the review, the three legacy colleges collectively delivered 100 full-time FE programmes, of which 92% were delivered face-to-face and 8% through online virtual classroom methods. Following the review, issues of duplication, low demand, limited financial viability and strategic misalignment were addressed. For academic year 2024/25, this resulted in a single, aligned portfolio of 90 full-time FE programmes, ensuring continuity of subject choice while improving coherence and sustainability.

Post-review, 90% of full-time FE programmes continued to be delivered face-to-face, with 10% delivered online, an increase of 2%. This modest increase in online delivery is contrary to some staff and stakeholder perceptions. This change enabled a wider range of subjects to be accessed for the first time by students living beyond practical travel distance of the college's main campus locations.

3.2.5.3. Further education – part-time provision

The most significant structural change was within the part-time FE offer, including short courses, continuing professional development (CPD), work-based learning and the Highland Virtual Schools Programme. Pre-review, the three legacy colleges delivered 664 part-time FE programmes, of which 70% were face-to-face and 30% online.

The review identified extensive duplication and numerous programmes with little or no demand. In response, duplication was reduced, low-demand provision was rationalised, and online delivery was used more deliberately to widen access while retaining local face-to-face options where demand justified it. The Highland Virtual Schools Programme was expanded to ensure availability to young people across the full geography of the merged college.

This resulted in a streamlined offer of 432 distinct part-time FE programmes, many delivered multiple times across the academic year to meet demand. Post-review, 59% of part-time FE provision was delivered face-to-face and 41% through online virtual classroom methods, reflecting a conscious shift towards greater flexibility and reach in this part of the curriculum.

3.2.5.4. Schools provision and funding compliance

Alongside the tertiary curriculum review, the college reviewed its school provision in light of SFC funding guidance. Current guidance specifies that no more than 1.5% of SFC credit funding should be used for delivery to pupils below the senior phase (S1–S3). The college continues to deliver significantly above this level (approximately 9%), while also delivering a substantial proportion of credit activity to senior phase pupils (approximately 22%).

While these delivery volumes are not uncommon among rural, remote and island academic partners, they carry ongoing funding risk. The college continues to work with UHI Executive Office colleagues to justify this provision to the SFC, emphasising the importance of equitable access to subject choice for rural and island pupils who would otherwise face significant disadvantage. At the same time, there is recognition of the need to reduce exposure to funding risk in this area over time.

3.2.5.5. Credit delivery and outcomes

Across academic years 2023/24 and 2024/25, the college's FE credit target remained static at 22,284 credits. In 2023/24, delivery exceeded target by 2.4% (22,829 credits), and in 2024/25 delivery marginally exceeded target at 22,302 credits (0.08% above target). The tertiary curriculum review therefore delivered an aligned and integrated FE curriculum that maintained subject choice, improved accessibility and reach, strengthened financial sustainability, and continued to support achievement of SFC credit targets within a constrained funding environment.

3.2.5.6. Higher education provision

HE provision is delivered across the UHI partnership, with UHI Executive Office holding degree-awarding powers and responsibility for HE quality assurance. Academic partners lead programmes and host students across the partnership.

As part of the UHI 2024 transformation work, a full HE curriculum review was initiated in 2022/23 for implementation in 2024/25. To avoid duplication of effort, UHI North, West and Hebrides aligned its tertiary curriculum review processes with the UHI workstream and adopted the outputs of the UHI 2024 HE curriculum review. This review retired poorly recruiting programmes, introduced new provision and increased enrolments on viable programme occurrences, improving financial sustainability at partnership level.

For programmes led by UHI North, West and Hebrides, the review resulted in the retirement of three HNC/D programmes and one Professional Development Award, due to duplication and exceptionally low or zero enrolment in recent years. This had no material impact on the breadth of the overall curriculum offer.

Prior to the UHI 2024 review, 40% of HE programmes were delivered face-to-face and 60% through networked (online) delivery. Following implementation in academic year 2024/25, the balance shifted marginally to 39% face-to-face and 61% networked delivery, indicating continuity rather than substantive change in delivery mode.

3.3. Analysis

The sections below summarise analysis of the Assessment Framework against Figure 1 below:

Figure 1: 'What merger means for our colleges'[21]

The detailed analysis of the Assessment Framework is set out in Appendix 1.

3.3.1. Stronger, sustainable and enhanced local curriculum offer

Evidence of progress

The merger has enabled the introduction of a Tertiary Curriculum Strategy.[22] Shared course coding, aligned timetabling and common planning processes now support delivery across multiple locations and modes, increasing cohort viability where numbers would previously have been insufficient. Integrated senior-phase, FE and HE pathways, alongside expanded multi-modal and online delivery, have widened access for learners who would otherwise need to leave their communities. SEAP evidence highlights growth and consolidation in priority areas including hydrogen skills, Gaelic, creative industries, allied health, land-based studies and senior-phase provision. Demand for Modern Apprenticeships and Work-Based Learning has increased in areas such as Construction and Food and Drink.

Still developing

Curriculum benefits have been unevenly experienced due to staffing instability, industrial relations challenges and ongoing concerns about curriculum leadership arrangements. Academic staff report that the removal of PL1 roles has weakened day-

[21] UHI North Highland, UHI Outer Hebrides and UHI West Highland (2022). *Rural and Islands College Merger Proposal and Business Case,* p.2. Available online: link.
[22] UHI North, West and Hebrides (2025) *Tertiary Curriculum Strategy 2025-2028*. Available online: link.

to-day leadership, increased workload and reduced local responsiveness – this is being addressed by the Rapid Response Group's review of the academic structure (see Section 2.4.3). Stakeholders raised concerns about the scale, pace and pedagogical suitability of some online delivery, particularly for FE learners requiring higher levels of support. Further consolidation is required in part-time FE and HE provision, and staff confidence in the operating model remains fragile.

3.3.2. Enhanced capacity for engagement and partnerships

Evidence of progress

The merged college has strengthened its presence within regional economic development, skills and partnership forums, consolidating its role as a regional anchor institution. Business development and engagement activity has been aligned, including the appointment of a Work-Based Learning Manager to coordinate employer engagement to support growing demand for Modern Apprenticeships and vocational training. The college has taken leadership and delivery roles in major initiatives such as the Islands Growth Deal, the Stornoway Technology and Innovation Centre, and sector-specific provision including the CECA Academy in Fort William. External recognition through multiple CDN Award nominations and a category win provides independent validation of progress in innovation, research and employer engagement.

Still developing

The benefits of scale in engagement have not yet translated into consistently stronger local relationships. The newly configured Engagement team requires time to bed in, and some local stakeholders perceive reduced visibility and responsiveness compared with legacy arrangements. Local Advisory Committees focus group feedback indicates a desire for stronger influence, clearer remit and earlier involvement in decision-making. Some partnership ambitions, particularly in research-intensive and advanced manufacturing areas, remain constrained by limited capacity and investment.

3.3.3. Better opportunities for staff

Evidence of progress

Consolidation has created larger teams and communities of practice, supporting collaboration and, for some professional services staff, more specialised roles. SEAP evidence highlights expanded access to CPD, UHI-wide training, and the introduction of roles such as Learning Development Workers and Curriculum Quality Enhancement Workers.[23]

Still developing

Staff experience varies significantly by role and function. Academic staff report reduced progression routes following the removal of PL1 roles, alongside increased workload,

[23] *Ibid.*, pp. 9, 11, 17.

unclear responsibilities and diminished local leadership. High turnover, voluntary severance and change fatigue have eroded capacity and confidence, while some staff perceive that single points of failure have shifted rather than been eliminated. The withdrawal of funding for a planned cultural integration programme has limited progress in developing a shared organisational identity, contributing to low morale and trust as evidenced by the HSE and IiP findings. Investment in CPD enables academic staff to maintain engaging relevant curriculum content and develop new pedagogical approaches, while ensuring professional services staff can effectively utilise systems and emerging technologies; it also represents a wider commitment to strengthening organisational capability.

3.3.4. A more efficient organisation

Evidence of progress

Major integration milestones have been achieved, including Brightspace alignment, SITS convergence, standardised course coding, and harmonised HR, finance and quality processes. There has been necessary focussed effort to find efficiencies in the post-merger period; the legacy colleges had yet to embark on this work, leaving significant savings for the merged college to achieve. Management tiers have been reduced by 6.6 FTE, generating recurring savings of approximately £450k–£500k per annum. Multi-modal delivery has reduced duplication and improved utilisation of staff and resources across campuses.

Still developing

Despite structural simplification, staff report slower decision-making, increased distance from authority and reduced local agility compared with legacy colleges. Capacity constraints following voluntary severance have introduced new operational pressures, and the benefits of systems integration are not yet consistently experienced in frontline roles.

3.3.5. A stronger financial future

Evidence of progress

The legacy colleges were financially fragile and increasingly at risk of becoming unsustainable. The merger has created a better opportunity for stabilisation through consolidation, curriculum optimisation and reduced management overheads. Approximately £3.0m in recurring savings have been made, mainly in staff cost reductions through a Voluntary Severance Scheme and vacancy management, plus savings in other operating costs through consolidation of services. These cost savings have been substantially offset by flat-line core teaching grants and un-funded increases in staff on-costs, and a Financial Recovery Plan is in place to address the £3.2m operating deficit over a three-year period. Most of these cost savings were only possible due to the benefits of merger and they could not have been delivered by the legacy colleges themselves. SEAP evidence confirms delivery of SFC credit targets, major capital investment including the Stornoway Technology and Innovation Centre, and growth in priority areas such as hydrogen, STEM and apprenticeship provision supporting income diversification.

Still developing

Financial progress remains constrained by external factors, including inflation, rising pay and national insurance costs, static funding settlements and delays to capital investment. Short-term cash protection measures, including deferred capital spend, represent cost deferral rather than long-term resolution. Assumptions within the original merger logic around generating operating surpluses for reinvestment are no longer realistic in the prevailing sector funding context, limiting the college's capacity to invest in growth and staff wellbeing. The January 2026 Scottish Budget settlement may provide some short-term relief from a financial perspective despite a significant proportion of the additional funds being already committed costs and will offset only a small proportion of the 20% real-term cuts since 2021/22.[24]

3.3.6. Enhanced response to regional and national priorities

Evidence of progress

Curriculum planning is increasingly aligned to regional and national labour-market priorities, including renewables, health, construction and digital. The college is embedded in major initiatives such as the Islands Growth Deal, ScotWind supply-chain development and the emerging space sector. SEAP evidence highlights leadership in projects including TalEntEd, the Islands Centre for Net Zero, the Future Energy Lab and delivery of Scotland's only SQA-accredited hydrogen qualifications. A Research and Knowledge Exchange Strategy and Scholarship–Research Continuum provide a coherent framework for applied research aligned to place-based challenges and UN Sustainable Development Goals.

Still developing

The pace and scale of response to regional opportunities remain dependent on external investment timelines and constrained internal capacity. There has been slippage in the timeline of some major developments, meaning the college cannot respond as yet. Research activity is uneven due to staff turnover and funding limitations, with sub-50% Full Economic Cost recovery restricting sustainability.[25] Balancing regional coherence with locally contextualised delivery remains challenging, particularly where workforce, housing and infrastructure constraints limit agility.

---

[24] See Section 2.2.1.

[25] See Section 2.2.2

3.4. Financial and Counterfactual Analysis

3.4.1. Background

The Rockborn Management Consultants report that initiated the Rural and Islands College Merger project identified a series of financial risks of not merging and pursuing what was termed the 'standalone option'.[26] These included:

i. Inability to achieve efficiencies of scale in delivery, back office, and resource utilisation.
ii. Less financial resilience and greater vulnerability, particularly as costs associated with national bargaining, job evaluation and employer pension contribution rise.
iii. Limited capacity to develop Strategic Management Accounting.
iv. Finance teams stretched across competing priorities, reducing their ability to deliver effectively.

Between the decision to embark on the merger project and vesting day, several of these risks began to crystallise, creating serious issues for both the individual colleges and proposed merged entity.

3.4.2. Risk Crystallisation

During the merger preparation period there was significant turnover in financial leadership, including the departure of all college Finance Directors. Despite mitigation efforts, this caused disruption to governance and oversight, leaving decision-makers without the level of financial visibility normally expected.

As a result, the financial positions of the legacy colleges were less well understood than they should have been at key stages before the merger, and there had been no meaningful cost cutting measures in any of the colleges to address the deficit positions.

As the legacy colleges approached the end of their final operating years, the broader financial fragility across the region and the cumulative impact of external factors highlighted in this report resulted in deficit positions across all institutions:

- At **UHI North Highland**, limited financial management resource from March 2023 meant that the college's deficit position was only fully recognised close to vesting. The clawback of underspent student support funding in 2022/23 substantially altered its reported cash position, impacting upon the required funding package for the merging college, which was only finalised a week before vesting.
- At **UHI Outer Hebrides**, additional financial management capacity introduced in April 2023 improved visibility of the college's financial position, leading to an

[26] Rockborn Management Consultants (2021). *UHI Options Appraisal*, p.94

emergency funding application for £725k to UHI Executive Office in May 2023. The college closed the An Cotan Childcare Centre in the run-up to the merger due to staff shortages that had made it impossible to maintain a reliable service, coupled with the subsidy required from the college to operate.
- In **UHI West Highland**'s final financial year, the Adjusted Operating Position deficit was £582k, in comparison to a surplus of £448k the previous year[27].

These issues placed significant pressure on staff in the run-up to merger, at a time when additional demands were being made to align financial systems and processes. Finance staff from UHI North Highland provided substantial support to colleagues in UHI Outer Hebrides and UHI West Highland to help ensure continuity.

3.4.3. Impact of not merging

Had the merger not proceeded, it is likely that all the legacy colleges would have faced escalating financial pressures that could have called their long-term viability into question and required external support from SFC or cash advances/loans from UHI Executive Office.

Without the merger, significant cost-cutting would have been required across all three colleges. As Rockborn's risks i) and iv) identified above indicate, such reductions within already thinly stretched teams would likely have undermined core delivery capacity. In addition, it would have been increasingly difficult to develop Strategic Management Accounting risk iii), further limiting each college's ability to plan and respond strategically. Rockborn's risk ii) (reduced resilience amid rising cost pressures) is particularly relevant given subsequent increases in employer national insurance contributions, pension costs, and inflationary pressures.

3.4.4. Differential Impacts on the Merged College

As set out in Section 2.2, the Scottish further and higher education sectors are facing profound financial challenges. The merged college faces additional costs, including:

- None of the additional post-merger grant funding to support its transformation was provided; this has exacerbated the college's deficit situation
- Increased day to day operating costs from geographic location, including additional travel cost budget, approximately £100k per annum
- Distant Islands Allowance (not funded by the SFC, approximately £300k per annum)

[27] UHI West Highland (2023). *West Highland College UHI Director's report and financial statements for the year ended 31 July 2023*, p.5. Available online here.

- Rurality funding is not index-linked and has been around £2.7m since 2017/18. Figure 2 shows that - accounting for inflation - this is the equivalent of almost £1m shortfall based on the Bank of England's Inflation Calculator.[28]

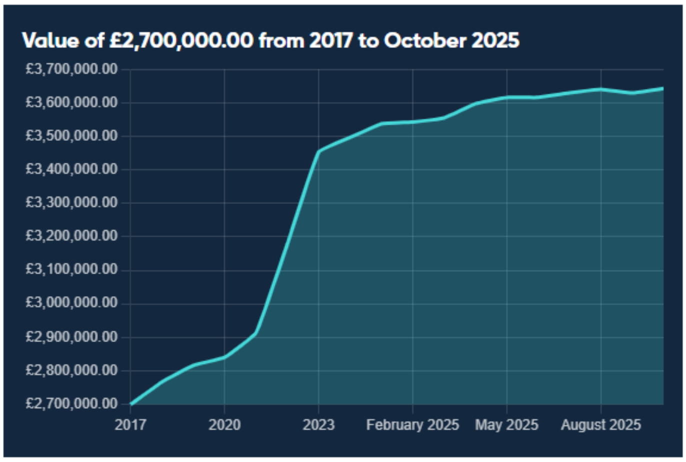

Figure 2: Inflationary pressures on rurality funding [29]

[28] Bank of England Inflation Calculator. Available online: link.
[29] *Ibid*.

3.4.5. Financial Position of Merged College vs Legacy Colleges

Table 2: Comparative Financial Position of Legacy Colleges and Merged College

	2021/22				**2022/23**				**2023/24**
	NHC	*WHC*	*OH*	*Total*	*NHC*	*WHC*	*OH*	*Total*	*NWH***
Operating Surplus/(Deficit)* (£'000)	(209)	489	(980)	(700)	(1,589)	(208)	(731)	(2,528)	(3,816)
Adjusted Operating Position (AOP) (£'000)	173	448	(475)	146	(767)	(582)	(330)	(1,679)	(2,531)
NWH AOP for 2023/24 includes the following exceptional costs:									
VSS costs (funded by UHI Executive Office loan) (£'000)									993
Merger related costs (estimated unfunded) (£'000)									250
									1,243
Adjusted Operating Position excluding exceptional costs (£'000)									(1,288)
Adjust for unfunded inflationary increases in staff costs and other operating costs (estimated) (£'000)									800
Comparable 2023/24 deficit versus 2022/23 (£'000)									(488)

*Operating Surplus/(Deficit) excludes year-end FRS102 pension fund adjustments, Job Evaluation provision and fixed asset impairment

** NWH accounts for 2023/24 are subject to audit completion

The key financial information regarding the legacy colleges and merged college is as follows:

- In 2021/22, the legacy colleges had a combined Adjusted Operating Position surplus of £146k.

- In 2022/23, the legacy colleges all had individual Adjust Operating Position deficits; combined this figure was £1,679k.
- In 2023/24, including exceptional costs, the Adjusted Operating Position deficit for the merged college was £2,531k.
    - The exceptional costs were the Voluntary Severance Scheme (£993k) and merger related costs (£250k) which were funded by loans from UHI Executive Office rather than grant income.
- The Adjusted Operating Position deficit before the exceptional costs was £1,288k. This is £391k lower than the combined legacy college deficit in 2022/23.
- The estimated impact of flat Further Education grant and inflationary increases in staff costs and other operating costs was approximately £800k in 2023/24
- As a result of the merger and post-merger organisational restructure in 2023/24 around £3,000k annualised cost savings that were made.
- This improved the real term financial position of the college by approximately £1,200k in 2023/24.

4. Stakeholder Perspectives

4.1. Summary

Feedback from staff, students and external stakeholders presents a consistent picture of a college that has delivered significant structural change at pace, but where the benefits of merger are not yet fully felt in day-to-day experience. Across all engagement channels, the majority of respondents recognised the necessity of merger, and acknowledged that it has strengthened the college's external profile, strategic reach and long-term viability relative to the counterfactual. There was broad acceptance that the scale, geography and complexity of provision required structural consolidation.

However, staff experience of the merged college remains at best uneven. High workload, reduced curriculum leadership capacity, and the cumulative impact of sustained change were the most frequently cited concerns. Many staff reported a loss of local agency and clarity following the removal of PL1 roles, alongside anxiety about the pace, sequencing and communication of change. While some professional services staff reported clearer processes and improved collaboration, academic staff were more likely to describe increased pressure and reduced support.

Stakeholder feedback indicates a willingness for the college to succeed and support for the college regional role, particularly in relation to skills alignment, employer engagement and place-based economic development. At the same time, some partners expressed concern that local visibility and responsiveness have diminished since merger, and that engagement mechanisms remain more structurally inherited than strategically refreshed.

Overall, some stakeholder evidence reinforces the conclusions in Section 3. Some stakeholders agree the merger has largely delivered its structural and strategic objectives, but for the majority cultural integration, staff confidence and the translation of corporate benefits into lived experience remain incomplete. Addressing these issues will be critical to consolidating merger outcomes and sustaining delivery in Years 3–5.

4.2. Staff Survey

A total of 115 staff took part in the survey, representing slightly over a fifth of the full staff headcount. Detailed analysis is presented in Appendix 5. The full results of the survey are held by the college.

The staff survey presents a mixed but generally challenging picture of merger progress at Year 2. While there are some clear benefits and areas of promise, the dominant tone across responses is one of strain, uncertainty and limited confidence in the college's current direction.

Academic staff were consistently more negative in their responses than other groups. However, none of the respondent groups spoke with a singular voice about any topic, and the feedback across the sample is considered and nuanced.

Table 3: Staff Survey Theme and Feedback Summary

Staff profile	Responses were broadly representative of the three legacy colleges, although fewer legacy UHI Outer Hebrides staff participated than the other two legacy colleges. Academic staff formed the largest group of respondents, followed by professional services, with a small proportion of senior leaders. This blend is relevant because academic staff were consistently more negative in their responses than other groups.
Perceived benefits since merger	Just over half of respondents (53%) identified at least one positive change, primarily relating to the high-level benefits of a larger organisation. These included wider access to curriculum and staff expertise, increased opportunities for collaboration, some gains from streamlined systems (particularly in HR), and improved financial management through economies of scale and voluntary severance. These positives tended to focus on structure and potential rather than day-to-day experience. Benefits were often contingent, fragile, or still in progress.
Perceived challenges and negative impacts	A substantial minority (47%) reported no positive change or a clearly negative experience. Negative themes were strong and consistent, including a widespread view that the merger was poorly planned and implemented, significant loss of staff with remaining teams stretched, concerns that management lacked understanding of frontline pressures, removal of Promoted Lecturer roles damaging curriculum leadership, weak communication and slow, inefficient processes, and little evidence of improvements to academic activity. Academic staff were markedly more negative than other groups, suggesting the curriculum-facing experience of merger has been particularly difficult.
Impact on students	Perceptions of student benefit were low. Only 16% believed opportunities for students had improved, while 42% believed they had declined, with academic staff again the most critical. This indicates strong professional concern about the impact of merger on learners, even while formal student satisfaction surveys remain high. This discrepancy highlights a disconnect between staff opinion and existing student metrics.
Perceived organisational strengths	When asked where the college had become stronger, ‘staff capacity, expertise and collaboration’ was the most selected option, while curriculum access, course choice and digital systems were selected by around a quarter. However, a significant share (33%) selected ‘Other’, with many comments openly questioning whether the college had improved in any area. Some respondents described perceived financial resilience as cost-cutting rather than strategic strength.
Current experience	Qualitative feedback was overwhelmingly challenging. Recurrent issues included declining student experience, poor communication and unclear responsibilities, increased workloads and reduced capacity following voluntary severance, loss of local identity and autonomy, morale, stress and mental health pressures, slow and bureaucratic processes (notably procurement), and limited face-to-face interaction undermining

	collaboration. Together, these paint a picture of pressure and fatigue across multiple teams.
Engagement and connectedness	Most staff felt they sometimes had opportunities to contribute ideas, but fewer felt they definitely did. Feelings of connection across the merged college were split, with slightly more staff feeling disconnected than connected.
Priorities for improvement	Across open responses, staff repeatedly emphasised the need for a clearer post-merger vision and strategic direction, alignment and simplification of systems and processes, reasserting the college's identity as an educational institution, faster and more locally informed decision-making, rebuilding trust through better communication, reintroducing curriculum leadership roles, stronger recognition of local needs, and more investment in staff development. These themes reflect a desire for stability, clarity and restored professional confidence.
Confidence in future change	Staff confidence in adapting to future change was very low. Seventy-one per cent expressed little or no confidence in the college's readiness for UHI Transformation, and only one respondent was 'very confident'. This signals a significant risk factor for forthcoming organisational change.
Contributions to UHI Transformation	Staff identified some potential strengths the college could bring to the transformation process, including merger experience, diverse communities, committed staff and lessons learned. However, many warned that merger lessons must be acknowledged openly, staff morale is too low for major change, centralisation may undermine FE and harm local provision, and the merger itself should not be used as a model for transformation. These concerns echo wider uncertainty and change fatigue.
Views on UHI's future direction	Staff expressed a desire for greater honesty about financial drivers, genuine consultation with frontline staff, clarity of UHI's educational mission, stronger local engagement and more responsive decision-making, and more dynamic, reciprocal communication across the partnership. These contributions highlight deeper questions about identity, purpose and governance across UHI.

4.3. Employer and Industry Partner Survey

A total of 10 employers and industry partners responded to the survey. This represents a unexpectedly small response relative to initial expectations, limiting the representativeness of the findings. Detailed results are provided in Appendix 6, with the full survey output being held by the college. The findings should be treated as indicative only.

The overall picture is mixed but generally challenging, with a stronger emphasis on perceived decline in local responsiveness and communication than on clear post-merger benefits. Responses are geographically skewed, with a disproportionate number of respondents based in the North Highland / Caithness area, which is likely to have influenced the tone and content of feedback.

Taken together, the survey provides useful qualitative insight into a small group of employer experiences but cannot be treated as representative of the wider employer base. The findings primarily highlight localised concerns around communication, capacity and responsiveness, particularly in the North Highland area, rather than offering a definitive judgement on merger success from an employer perspective.

Table 4: Employer and Industry Partner Theme and Feedback Summary

Employer Profile	Responses were unevenly distributed geographically. Sixty per cent of respondents were based in the legacy North Highland area, 20% in the legacy Outer Hebrides area, 10% in legacy West Highland, and 10% covering more than one area. This imbalance means the survey reflects a limited subset of employer perspectives rather than the full regional footprint of the college.
Perceived impact of the merger on employer engagement	Half of respondents (50%) felt the college's ability to work effectively with employers had declined since merger. A further 20% reported no change, 10% reported some improvement, and 20% were unsure. No respondents felt engagement had significantly improved. Overall, perceptions of merger impact on employer relationships were more negative than positive.
Perceived areas of progress since merger	Few respondents identified clear areas of progress. Small numbers highlighted responsiveness to skills needs, training quality, or communication and partnership working. However, the majority (70%) selected "Other", with free-text responses often questioning whether any meaningful progress had occurred. This suggests limited visibility of positive merger outcomes from an employer perspective.
Key challenges and negative themes	Qualitative feedback consistently highlighted: - Reduced local autonomy and decision-making - Fragmented or weakened communication with employers - Slower response times and overloaded single points of contact - Capacity pressures at local campus level, particularly in Caithness - Difficulties arising from networked delivery and increased online provision Several respondents felt the merger had made it harder for the college to respond locally, rather than improving coordination or access.
Employer engagement and workforce development challenges	Employers identified ongoing challenges around proactive engagement, planning, course relevance, and follow-up. Concerns were raised about insufficient night or flexible provision, the balance between practical skills and qualifications, slow or unclear processes, and limited capacity within local teams to pursue opportunities.
Opportunities for future collaboration	Despite concerns, respondents identified opportunities for closer working in areas such as apprenticeships, engineering, net zero and regional investment programmes, population retention, and wellbeing. Several emphasised the value of clear single points of contact, stronger coordination across UHI, and externally supported employer engagement platforms.
Confidence in meeting future employer needs	Views on future positioning were more balanced than retrospective assessments. Seventy per cent of respondents reported being very or quite confident that the college is positioned to meet future employer and industry needs, while 30% were not very confident. No respondents reported having no confidence at all, indicating cautious optimism despite current frustrations.

Confidence in meeting future employer needs	Across open responses, staff repeatedly emphasised the need for a clearer post-merger vision and strategic direction, alignment and simplification of systems and processes, reasserting the college's identity as an educational institution, faster and more locally informed decision-making, rebuilding trust through better communication, reintroducing curriculum leadership roles, stronger recognition of local needs, and more investment in staff development. These themes reflect a desire for stability, clarity and restored professional confidence.

4.4. Focus Groups

A total of 17 Focus Groups were held in the following order:

- West Local Advisory Committee
- Outer Hebrides Local Advisory Committee
- HISA Depute Presidents
- Board of Management
- Mixed Academic Staff
- Mixed Professional Services Staff
- Legacy UHI North Highland Staff
- Legacy UHI Outer Hebrides Staff
- Legacy UHI West Highland Staff
- Middle Managers and Leads
- Senior Management Team
- UHI Partnership Staff
- North Local Advisory Committee
- Trade Union Representatives and Staff Ambassadors
- HISA Staff
- Executive Leadership Team
- Board of Management Chair and Principal & Chief Executive

Detailed analysis is presented in Appendix 7. The full minutes of the Focus Groups are held by the college.

4.4.1. Successes

Across groups, there was recognition that the merger has delivered some genuine structural and operational benefits. Academic and professional services staff reported the benefits of being part of a larger team with more opportunities to share practice, and improvements in some areas e.g. Marketing and Communication, IT, and estates. Curriculum consolidation has increased access for rural learners on a distance basis, and some campuses continue to deliver strong face-to-face, community-anchored provision. External partners are supportive of the college and want it to be successful.

Professional services staff highlighted clearer benefits, including unified finance arrangements, strengthened IT, and broader skillsets gained through adapting to the merger and the scale of the new college. Managers noted progress in establishing a single-college structure, avoiding compulsory redundancies during severe financial pressure, and building teams (such as marketing and IT) that now work effectively across the organisation. The benefits of these larger scale teams were noted by the UHI Partners group, allowing the college to play a bigger role in the partnership.

Local Advisory Committees, Board members and UHI partners emphasised that the merger has ensured institutional survival, broadened curriculum reach, enabled more cross-campus collaboration, and given the college a stronger voice within UHI.

4.4.2. Challenges

The most consistent message across academic staff, professional services, managers, unions, HISA and Local Advisory Committees is that the merger is perceived to have ~~has~~ been highly challenging and some way from being fully embedded.

Academic staff described a curriculum structure that is, in their view, not working. The loss of PL1 / course leader roles has contributed to heavy workloads, uneven distribution of responsibilities, limited progression routes and reduced student experience. Both academic and professional groups reported resource gaps, single points of failure, inefficient and/or unclear processes (especially in admissions and procurement), and confusion about who has responsibility and accountability.

Across groups there are concerns about loss of legacy identity, reduced on-campus visibility of leaders, weaker local links and a shift towards online delivery that does not meet the needs of all learners. Academic staff raised concerns about the pedagogical approach underpinning the new curriculum approach, particularly around online further education delivery.[30]

Wellbeing, morale and trust issues are widespread, with many staff reporting stress, fatigue, inconsistent communication and limited meaningful consultation. Managers acknowledged these pressures, noting that they are often pulled into operational firefighting and that cultural integration was hampered by the absence of expected Phase 3 funding.

Local Advisory Committees and HISA voiced reinforce concerns about student experience, especially for those who need face-to-face support, and about the dilution of local leadership and community presence. Some Local Advisory Committee contributors were concerned about the lack of agile development capacity to support local strategic initiatives.

[30] See Appendix 9 for further details.

4.4.3. Opportunities

Despite the challenges experienced, staff and stakeholders saw clear opportunities aligned to structure, place and engagement.

Academic groups emphasised the chance to rebuild curriculum leadership and progression routes within available funding, strengthen locally contextualised provision, and refocus on the educational mission rather than financial narrative. Professional services staff wanted clarity of roles, restored capacity and better communication, enabling more efficient and responsive processes.

Managers saw the merger as a work in progress as opposed to a finished task. As a result, they saw different opportunities to other staff, including refinement of structure (particularly around curriculum leadership) and the Board, Local Advisory Committees, ELT and SMT working together at different levels and with different audiences to support the college.

The Local Advisory Committees, particularly North and Outer Hebrides, were eager for their Terms of Reference to be reviewed and strengthened. Local Advisory Committees and the Board pointed to significant potential in strengthening place-based delivery, developing niche provision with employers and leveraging the college's increased scale and resources.

There was broad agreement that the Merger Evaluation Report, HSE survey and Investors in People work together provide a platform for visible and credible action to be delivered. Staff want to see positive change and seem ready to buy into it if they believe they are being listened to.

4.4.4. UHI Transformation

Across all staff groups and stakeholder forums, views on UHI Transformation are consistently cautious to negative.

Academic and professional services staff expressed strong apprehension about further major change while merger impacts remain unresolved. They fear centralisation, erosion of FE and local provision, increased online delivery, and a repeat of the communication and consultation weaknesses experienced during merger. Many do not feel ready - on a personal or professional basis - for another large-scale change.

Managers and Board members also cautioned that UHI Transformation must learn from the UHI North, West and Hebrides merger. They called for realistically resourcing, detailed planning, and a much better grasp of FE realities and the complexity of running rural and island centres. Stakeholders emphasised that UHI Transformation must be mission-driven rather than financially driven and must genuinely involve staff and communities.

Across groups there is scepticism that lessons will be fully taken on board, but also recognition that UHI North, West and Hebrides can play an important role in shaping the process if its experience is listened to.

4.5. Interviews

Interviews were conducted in December 2025 and January 2026 with Comhairle nan Eilean Siar, The Highland Council, North Highland Chamber of Commerce and West Highland Chamber of Commerce.

The following views were expressed by Comhairle nan Eilean Siar:

- Merger outcome
    - The merger has helped secured the continued presence of college campuses and learning centres in the Outer Hebrides, which had previously been perceived as at risk
    - Notwithstanding some sound potential benefits, it is recognised that the merger was primarily financially driven
- College role in island life
    - The college is seen as having a reduced presence and visibility in island life compared to the past
    - This change is not solely attributed to the merger but is a manifestation of wider demographic and cultural change
- Alignment and partnership
    - The college is considered well aligned with the Comhairle's economic and community priorities e.g. its role in Islands Growth Deal projects and presence in economic forum.
    - The relationship with college leadership is viewed as positive, with good communication and alignment on issues like tertiary education reform
- Capacity and transformation risks
    - Despite the alignment with local priorities, there is concern about the college's capacity to deliver ambitions given ongoing financial pressures.
    - UHI Transformation risks being overly focused on cost reduction, with insufficient emphasis on growth. This creates the potential for disproportionate impacts on rural and island communities.
- Opportunities
    - Good practice in the Outer Hebrides, where the Comhairle and college work in a complementary way, could be transferable to other parts of the region
    - Due to the unprecedented investment in the region, UHI North, West and Hebrides could play in a role in helping deliver lasting local change, but this may require investment in capacity and resource.

The following views were expressed by The Highland Council:

- Encouragement for UHI North, West and Hebrides to focus on :
    - A clear definition of the college's vision and pathway to support regional economic development priorities
    - An outcome-based approach e.g. how will this course / partnership / development benefit the region? How will it create jobs?
    - Communities and place-based demand led supply side solutions
    - A single plan led by regionally relevant curriculum
    - Clarity of offer to stakeholders
    - Income growth plans linked to curriculum
    - Proactive engagement with regional and sub-regional initiatives e.g. Workforce North

The following themes were shared across both the North Highland and West Highland Chambers of Commerce:

- Merger impact
    - Both Chambers report that the merger to create UHI North, West and Hebrides has not delivered clear, visible benefits for local businesses.
    - While the merger is not seen as actively damaging, anticipated improvements in responsiveness, engagement and delivery have not materialised.
- Engagement with business and industry
    - There is a shared perception of limited proactive engagement between the college and business that is not directly linked to course delivery.
    - Engagement is often seen as one-way, with businesses being informed of college activity rather than shaping provision.
- Ability to meet local skills demand
    - Both Chambers express concern that the college is struggling to meet local skills and apprenticeship demand, particularly in technical and trade-related areas.
    - Examples were given in both areas of apprentices being required to travel significant distances to complete training.
- Trust, relationships and accessibility
    - Difficulties in identifying contacts, maintaining relationships and navigating the College system are reported in both areas.
    - Past negative experiences or anecdotes contribute to reduced engagement and a 'why bother' cycle among employers.
- Underlying systemic constraints

    - Both Chambers recognise that many challenges reflect wider system issues (e.g. funding, demographics, national policy) but note that these distinctions are largely invisible to employers.
- Future opportunity
    - There is a shared belief that a strong, locally responsive college is essential to economic resilience.
    - Both Chambers see potential in closer collaboration linked to major investment, STEM and employer-led provision, if engagement and delivery improve.

The following perspectives were specific to North Highland Chamber of Commerce:

- Strengths
    - The College is recognised for strong delivery in engineering and hospitality.
- Perceived regression
    - The merger is seen by some businesses as coinciding with reduced activity and visibility, rather than improvement.
    - Concerns were raised about a reduced senior management presence locally.
- Governance and influence
    - Participation in Local Advisory Committees was described as informational rather than enabling genuine influence over local provision.
    - Businesses want a strong local college to provide much-needed training and qualifications.
- Apprenticeships
    - Apprenticeships are viewed as core activity for the College and a key requirement for local employers.
    - Where funding / resource constraints exist, there is an expectation that alternative delivery mechanisms should be explored and investment secured to increase capacity.

The following perspectives were specific to West Highland Chamber of Commerce:

- Scale and intensity of skills pressure
    - Acute pressures were highlighted in construction, engineering and welding, alongside broader workforce availability challenges.
    - Employers are highly pragmatic, prioritising outcomes over location, but reliance on distant provision reinforces concern about local system capacity.
- Trust and commercial approach
    - Examples of inconsistent or unexpectedly high training costs were cited as undermining trust.

    - In small communities, pricing practices and experiences are quickly shared and shape wider employer perceptions.
- Strategic opportunity
    - Strong alignment around STEM was identified as the main opportunity for future collaboration.
    - Progressing a visible, flagship STEM facility or centre was seen as a practical way to demonstrate commitment and rebuild confidence locally.

5. Risks and Mitigation

5.1. Risk and Mitigation identified pre-merger

The Rural and Islands College Merger Proposal and Business Case Executive Summary identified three key risk categories facing the colleges and mitigation provided by the merger project through enabling collective action, efficiency, and resilience[31]:

- Financial landscape
- Demographic challenges, particularly youth out-migration
- Lack of growth

In summary, the Merger Proposal and Business Case identified that the merger could support the transformation of financially constrained institutions facing challenges associated with peripherality into a single, regionally coordinated college capable of achieving economies of scale, curriculum enhancement and increased research capacity, which would support fragile communities as an anchor institution.

The merger has helped protect the legacy college students, staff and communities from the challenges faced due to post-COVID recovery, sectoral funding challenges and socioeconomic factors. To this extent, the merged college has been successful in transforming three smaller sub-regional colleges into single, regionally coordinated college capable of achieving economies of scale.

It is not possible to say what the precise impact on the three unmerged colleges would have been, but two of the legacy colleges were in an increasingly precarious financial position at the time of merging. By contrast, several commentators in the focus groups noted that UHI Argyll, an unincorporated college within the UHI partnership, has continued without external financial intervention despite opting out of the merger.

A full summary of risks, mitigation identified pre-merger, with commentary on Year 2 progress is set out in Appendix 10.

5.2. Year 3 – 5 Risks and Mitigation

The next Merger Evaluation Report will be undertaken after Year 5 of the merged college (academic year 2027/28). In the intervening period, the college will face a period of significant uncertainty related to sectoral funding challenges, the impact of UHI Transformation, and the requirement to embed the changes set out in the *Merger Proposal and Business Case*.

[31] UHI North Highland, UHI Outer Hebrides and UHI West Highland (2022). *Rural and Islands College Merger Proposal and Business Case,* pp.6-7. Available online: Link.

Several risk categories have been identified with associated mitigation and related opportunities. These are set out in full in Appendix 11, and summarised below:

- Financial sustainability remains the overriding challenge
    - Ongoing real-term reductions in public funding, rising costs and limited capacity for significantly increasing local income generation continue to constrain delivery and planning. The college's ability to mitigate is largely dependent on national and regional funding decisions (such as the January 2026 Scottish Budget), though merger has created some temporary headroom for collective efficiencies. The college now has an Income Growth Strategy and 3 Year Financial Recovery Plan as part of mitigation efforts against this risk, but these require investment from core and non-core sources.
- Organisational change fatigue is increasing
    - The fast-developing UHI Transformation alongside post-merger consolidation has introduced further disruption and uncertainty for staff. Effective communication, engagement and phased implementation are critical to maintaining morale and stability. This phase also provides an opportunity to consider system modernisation and strengthen alignment with the wider UHI partnership where not already undertaken.
- UHI North, West and Hebrides Post-Merger Integration
    - The Staff Survey and Focus Groups identified successes of the merger as described by staff. However, the intentions of the merger are still some way from being fully embedded, and it seems likely some aspects will need refined e.g. curriculum structure. Whilst some aspects of being a larger college are positive, the geographic reach of UHI North, West and Hebrides is an artificial creation that does not lend itself easily to stakeholder and community engagement.
- Regional inequalities and infrastructure challenges
    - The college's dispersed geography with 19 campuses and centres continues to face uneven digital and transport connectivity, affecting access and delivery. Another key structural barrier is housing and accommodation. While such issues lie largely outside the college's control, active partnership with local authorities, enterprise agencies and regional growth initiatives (e.g. Highland Council, Comhairle nan Eilean Siar, ScotWind, Inverness & Cromarty Firth Green Freeport) presents a clear opportunity to drive inclusive growth and skills alignment.
- Sector-wide sustainability presents risk and opportunity

- The national funding model for colleges now appears to be unsustainable beyond the short-term. However, the merged college is now better positioned to influence reform and to pilot innovative delivery models that respond to national and regional economic priorities, particularly in specialist sectors.

- Staff wellbeing requires sustained focus
    - Staff wellbeing and workload remain high-risk areas, reflecting the intensity of ongoing change. This is exacerbated by the volatile industrial relations picture seen across the sector. Embedding a one-college culture, supporting distributed leadership, and acting on clear messaging through staff voice mechanisms are essential mitigations that also build long-term organisational resilience and restore lost trust.

- Student and community needs are evolving
    - Incoming cohorts require higher levels of support and flexibility and have different expectations to previous students.[32] The updated structure and delivery model require time to bed in and be refined to meet these needs. Opportunities may materialise to lead on inclusive, technology-enabled delivery and deepen community engagement as the college's regional and sub-regional identity strengthens, but this will likely require resource and ringfenced investment.

[32] College Development Network (2024) *The Changing Learner: A Case Study of School-College Partnerships*. Pp.7-21, 39-41. Available online: link. Also Audit Scotland (2025) *Scotland's Colleges 2025*. Pp. 15, 21-22, 26. Available online: link

6. UHI Transformation: Year 2 Lessons Learned from UHI North, West and Hebrides Merger

6.1. UHI Transformation: Intended Benefits

UHI Transformation is large-scale change programme intended to deliver a new operating model for the UHI partnership. The UHI Operating Model Outline Business Case, published in early 2025, sets out that the new operating model for the partnership should be designed to:

- Strengthen education, teaching and research
- Deliver better value for money
- Optimise resource distribution to benefit students

It aims to ensure UHI operates economically, efficiently and effectively with public funds, enabling the organisation to fulfil its potential as a regional anchor institution.

The top-level benefits that the new operating model must deliver are summarised as follows:

- Becoming a financially sustainable tertiary education institution
- Access to a stronger, sustainable, and enhanced Learning, Teaching & Research offer
- Providing an enhanced 'one UHI' Student Experience across all locations and online: with equity in provision, opportunity, policy, and support for students
- Providing better opportunities for staff including progression and career development
- Enhanced capacity for community, engagement and partnerships
- Streamlined governance and the move to a single leadership and governance structure[33]

As noted in Section 2.3, a Full Business Case is due to be considered by stakeholders in early 2026. The analysis in this Merger Evaluation Report is based on the Outline Business Case.

6.2. College Merger and UHI Transformation Complementariness

The intended college merger benefits and UHI Transformation benefits map almost directly to each other with a single exception, as set out below in Table 5:

[33] UHI Executive Office (2025) *UHI Operating Model: Outline Business Case*, pp.18-19.

Table 5: UHI North, West and Hebrides and UHI Transformation Benefits Mapping and Analysis

UHI NWH Benefit	**Corresponding UHI Transformation Benefit**	**Analysis**
Stronger, sustainable and enhanced local curriculum offer	Access to a stronger, sustainable, and enhanced Learning, Teaching & Research offer	The college has found success through scale in making some courses more viable through online delivery. There has been concern about a shift to more online delivery and the impact on student experience, but student satisfaction scores remain high. It has been a challenge for the college to maintain the local focus when requiring assemble viable cohorts across a regional area, and concerns were raised about a dilution of the local benefit from colleges directly to students, staff and the economy.
Enhanced capacity for engagement and partnerships	Enhanced capacity for community, engagement and partnerships	This area has been a challenge for the college due to the requirement to restructure the college and tackle local manifestations of national sectoral challenges. The college's forthcoming Income Growth Strategy 2025-2028 has as strong focus on partnerships and reinforcing the college's position as a community anchor. The spread of roles in the Engagement team has proved challenging to some of the local engagement that used to take place in the legacy colleges. The Executive Leadership team are confident there will be more work in this area before the planned Year 5 Review.
Better opportunities for staff	Providing better opportunities for staff including progression and career development	Views within the merged college are mixed on this. Academic staff feel very strongly that the main progression pathway has been removed due to the deletion of the PL1 roles. Some professional service staff felt that new opportunities have been created to specialise e.g. within Finance or HR. Paradoxically, one of the main aims of the merger was to eliminate single points of failure, and staff feel the single points of failure have often been moved to a new place rather than removed.
A more efficient organisation	Streamlined governance and the move to a single leadership and governance structure	The scaling of this benefit is relevant in its assessment. The college has streamlined from three organisations to one and added three Local Advisory Committees. Based on the feedback want an enhanced remit with more powers. Depending on what UHI Transformation intends to deliver, there could be more efficiency, but compensatory mechanisms will need considered that have appropriate authority.
A stronger financial future	Becoming a financially sustainable tertiary education institution	Section 3.4 sets out the likely scenarios had the merger not taken place, and there have undoubtedly been opportunities to achieve efficiencies of scale through the merger. The college's forthcoming Income Growth Strategy 2025-2028 sets out ways to diversify and grow non-core income, which is experiencing severe pressure and real-term cuts.

		Like the college, UHI Transformation will likely seek efficiencies of scale but the financial headwinds in the sector that are analysed in Section 2.2 show how significant the challenge is. A robust growth strategy will likely be required as reliance on cuts could leave the institution unable to respond in an agile fashion and seriously undermine staff buy-in to the change process.
Enhanced response to regional and national priorities	n/a	UHI North, West and Hebrides covers a significant proportion of the Highlands and Islands region, which according to research commissioned by HIE and the Highlands & Islands Regional Economic Partnership (HIREP) could benefit from £100bn of investment[34]. The college is justifiably being asked to play a part, but this is against a backdrop of cuts, institutional change and UHI Transformation. One contributor to the Focus Groups observed that it felt like the college was being tasked to 'solve national challenges with local resources'. Both the college and the broader UHI partnership could benefit enormously over the coming decades from the incoming investment, but it requires careful planning, significant investment and coherence of offer.
n/a	Providing an enhanced 'one UHI' Student Experience across all locations and online: with equity in provision, opportunity, policy, and support for students	The college articulated this intended benefit in significant detail later in the *Merger Proposal and Business Case*, for example in Section 1.3.[35] The college has now published a Student Experience Strategy 2025-2028[36] and as evidenced by the college's recent SEAP submission continues to perform well in terms of student experience KPIs. However, concerns were raised in the stakeholder engagement about the challenges of trying to provide parity of experience in campuses and learning settings that are manifestly different. There was also concern raised about a proliferation of online learning meaning some students (particularly those in rural areas or at risk of disengagement) are put at a disadvantage. The analysis of this set out in Section 3.2.5 shows a more nuanced picture. From a UHI Transformation perspective, due consideration should be given to the challenges of providing a 'one UHI' experience that have arisen through the college merger, particularly at an FE level when stakeholders perceive face-to-face learning opportunities are an essential part of the student experience.

[34] HIE and HIREP (2025). *Regional Transformational Opportunities in the Highlands and Islands*. Accessible online here.
[35] UHI North Highland, UHI Outer Hebrides and UHI West Highland (2022). *Rural and Islands College Merger Proposal and Business Case,* pp.29-30. Available online: Link.
[36] UHI North West and Hebrides (2025) *Student Experience Strategy 2025-2028*. Available online here.

6.3. Lessons Learned for UHI Transformation

There are a significant number of potential lessons to be learned from the merger process that are of direct relevance to UHI Transformation. It is important to note that many stakeholders do not believe this is taking place, and the UHI Transformation programme is repeating mistakes that were made during the merger process.

Table 6 below sets lessons learned based on the analysis in this Report, including the analysis set out in Appendix 4 of previous mergers in Scotland.

Table 6: Lessons Learned for UHI Transformation

Vision and Narrative	The vision and narrative of the merger/transformation programme must be continually reinforced and be clearly linked with the institutional purpose. Where ambiguity develops and/or persists, counter-narratives emerge, resulting in confidence and momentum stalling. Successful mergers and transformation programmes rely on a clear, consistent narrative that links structural change to improved learner experience, regional impact and organisational sustainability. Staff and external partners respond better when the link between transformation actions and tangible outcomes is explicit. Several stakeholders reported that, in some areas, a clearly articulated strategy or position on key issues from UHI Executive Office was not always visible, making regional coherence and external engagement more challenging. The expected benefits of merger should be carefully articulated and managed. The reports analysed in Appendix 3 show that assessment of success is often subjective. Although in a different context, evidence from England suggests that 'on average, the effect of merging is statistically indistinguishable from zero'.[37] Taken together, this evidence demonstrates that mergers are inherently challenging and not always guaranteed success.
Cultural Integration	Cultural integration is a fundamentally different and slower process than structural integration. Evidence from the Scottish Parliament inquiry and SFC review shows that systems and governance can be reorganised relatively quickly, but achieving cultural alignment takes years. This is borne out in the EIS-FELA report and from recent stakeholder engagement. Transformation programmes should plan and resource cultural integration work explicitly, rather than assuming it will naturally follow structural change. Despite being widely understood, this remains an area where many mergers underestimated what was required and fail to manage expectations realistically.
Systems, data and processes	Legacy or inconsistent systems were one of the major inhibitors to benefits realisation during the 2010s mergers. UHI North, West and Hebrides has made comparatively good progress, but staff feedback indicates that the

[37] Department for Education (2019) *The impact of college mergers in Further Education*, p.12. Available online: here.

	scale and resource intensity of systems integration work were still greater than expected. This was particularly acute in college line of business systems rather the systems provided centrally by UHI Executive Office . UHI Transformation is likely to involve further alignment, integration or transfer of systems. Phased work completed ahead of any major structural milestones will allow more time for testing, training and bedding-in, reducing operational risk and supporting staff confidence. As per the Cultural Integration section above, expectation management is also key.
Workforce engagement	Evidence from previous mergers shows that strong engagement structures (e.g. staff voice mechanisms, Student Associations, regional forums) accelerated benefits realisation and improved confidence during change. The UHI North, West and Hebrides experience reinforces this: staff reported that they understand some of the rationale for change but want the opportunity to influence solutions rather than only receive updates. UHI Transformation should adopt predictable engagement cycles whilst being clear about the scope of staff influence in different areas to manage expectations. This is especially important for curriculum and student experience, which are core elements of educational identity.
Local and regional	Sector evidence highlights the need to balance consistent learner pathways and regional quality standards with local responsiveness.[38] This balance is likely to be more complex to achieve in the UHI partnership due to its large and diverse geography and the differing requirements of urban, rural and island communities, employers and stakeholders. Some UHI North, West and Hebrides stakeholders perceive UHI Executive Office to be over-centralised and that UHI Transformation will exacerbate this. There are also widespread concerns amongst staff that further education is not well understood by UHI Executive Office. These perceptions need to be acknowledged and addressed. Transformation should avoid centralisation that weakens local identity or employer relationships, while addressing inefficiency. A clear articulation of the intended regional-local balance will be essential.
Change resourcing	Properly resourcing change is critical. Previous Scottish mergers demonstrated that under-resourced programmes experience slower integration, staff fatigue and inconsistent delivery, particularly in systems work, curriculum harmonisation and estates planning. The College merger experience confirms that progress was strongest where workstreams had dedicated capacity and protected time, and slowest where change was layered onto Business as Usual. Transformation at the scale of the UHI partnership is not cost-neutral and cannot depend on goodwill

[38] Scottish Funding Council (2025) *Outcome Achievement Report AY 2023-24*. Available online: link. Also Audit Scotland (2025) *Scotland's Colleges 2025*. Pp. 3, 19, 21, 24. Available online: link

	alone due to the significant impact on front-line staff. UHI Executive Office will need to consider prioritisation of investment in project, programme and portfolio management, technical expertise, protected staff time, and sequence work realistically to match organisational capacity.
Future Sustainability	Historic merger evaluations repeatedly highlight the risk of post-merger savings being absorbed by wider system pressures rather than reinvested into transformation and growth. The UHI partnership faces serious financial pressures, and a change programme that is reliant on excessive cuts without investment growth risks stymying the partnership's ability to respond to regional opportunities. UHI Transformation planning must be honest about cost, risk, sequencing and expected return on investment. UHI North, West and Hebrides staff are experiencing significant change fatigue and want to know what UHI Transformation means to them on a day-to-day basis as college staff.
Funding Certainty	The college did not receive the expected sum or form of funding settlement for Phase 3, and no funding for post-merger integration. This has had profound effects, as one of the most pressing concerns now faced by the merged college is around cultural integration and staff wellbeing. Cultural integration was highlighted as a challenge by the Scottish Parliament Committee Regionalisation Enquiry (2023), SFC Merger Programme Report (2017) and EIS-FELA Report (2015), indicating that the sector itself appears not have to been able to effectively absorb the lessons learned from previous mergers. The evidence from UHI North, West and Hebrides and previous mergers shows that all face challenges, but funding uncertainty decreases the likelihood of mergers being delivered in the most efficient manner. UHI Transformation should prioritise which elements of projects, programmes and portfolios require funding. These prioritisations, supported by lessons learned from within the UHI partnership, Scotland and further afield, should be agreed with SFC and Scottish Government.

7. Conclusions and Recommendations

7.1. Summary

The Rural and Islands College Merger project represents the first merger of its kind since Scottish college regionalisation and provides a rare, evidence-rich case study for tertiary education reform in Scotland.[39]

The merger has delivered a single, unified college with strengthened governance, integrated systems and a coherent tertiary curriculum, achieving many of the structural and organisational aims set out in the *Merger Proposal and Business Case*. The three legacy colleges faced significant financial risk prior to merger, exacerbated by rurality, demographic decline and thinly spread staffing. The merger has therefore been decisive in developing the environment for increased institutional viability and creating a platform for future benefit realisation.

The evidence demonstrates that while efficiencies were necessary to begin stabilising the organisation, the full benefits of merger cannot be realised through cost reduction alone and will require targeted strategic investment in people, capacity and innovation. The largest cost for colleges and universities is staffing; in the context of an approximately 20% reduction in real-term college funding since 2021-22, staff numbers and capacity have reduced in the sector. Between 2022-23 and 2023-24 alone there was a reduction of 845 FTE (7.7% of total college sector workforce), which yielded only a 2% reduction in total percentage of expenditure staff over the same period, as pay rises offset savings achieved from reducing staff numbers.[40] Evidence from previous mergers shows that many of the cost savings are achieved by workforce reduction rather than efficiencies from systems or processes, but this is at odds with benefit realisation.[41]

However, while corporate and operational benefits are evident, staff experience of the merger remains at best mixed and often negative. Achievements in structural changes have not translated evenly into day-to-day practice, and there is a clear gap between organisational progress and lived experience, particularly in relation to workload, curriculum leadership, communication, morale and local identity.

This shows a paradox at the heart of the evaluation: the merger has succeeded at a structural level yet feels unresolved and fragile at a cultural level. There are also some common misconceptions about what the merger has delivered; for example, there is a widespread perception amongst staff that the management team has increased, whereas in reality is has reduced by 6.6 FTE, with savings of £450–£500k realised.

---

[39] UHI Shetland was established on 1st August 2021 through the merger of the NAFC Marine Centre UHI, Shetland College UHI and Train Shetland to create a single new tertiary-education college for Shetland.
[40] Audit Scotland (2025). *Scotland's Colleges 2025*, p.15. Available online: link
[41] See Section 3.1 and Appendix 4.

Two distinctive factors differentiate the UHI North, West and Hebrides merger from previous Scottish college mergers:

- The college's large and diverse geography, with 19 campuses and centres
- The consolidation period coinciding with the emergence of UHI Transformation

Whilst presenting obvious challenges, the college should embrace the geography as distinctive of its character and leverage local strengths. In many ways, the UHI North, West and Hebrides merger is a microcosm of what UHI Transformation is seeking to deliver. This alignment reinforces the strategic case for change but also exacerbates the change fatigue experienced by staff and increases the risk of duplicative and destabilising workstreams if sequencing and engagement are not managed carefully.

The college enters Years 3 to 5 with a solid foundation for further progress, but also with significant financial, cultural and organisational challenges that must be addressed if the anticipated benefits are to be fully realised. Due to the likely time periods involved in UHI Transformation outcomes, the college could sensitively be used a testing environment for approaches around FE delivery and research, as there is general acceptance amongst stakeholders that the HE offer remains sound despite experiencing increased competition.

7.2. Risks

The most significant risks facing the college in the next phase relate change consolidation, staff wellbeing, the sectoral environment and UHI Transformation.

Staff wellbeing and organisational culture are a serious risk. The HSE and IiP findings highlight pressures arising from workload intensity, unclear roles, reduced progression pathways, strained communication and extremely low confidence in readiness for further change. Curriculum structure, particularly the removal of PL1 roles, has become both a symbolic and practical source of dissatisfaction, affecting morale, workload and – in the view of some stakeholders - student experience. A significant contributing factor to these issues is the Phase 3 cultural and organisational change funding being withdrawn, and funds expected as grants being made in the form of loans instead.

The financial climate remains a fundamental constraint, with evidence from various sources showing that real-term reductions in public funding and rising costs cannot be addressed through incremental cuts. Continued trimming at the margins risks undermining consolidation, reducing organisational agility and eroding staff confidence.

There is a further risk to locality and identity. Stakeholders repeatedly expressed concern that the merger has diluted local presence, weakened community relationships and reduced centre-level visibility. A loss of place-based identity risks harming recruitment, employer confidence and the perceived accessibility of provision.

Analysis of the previous reports and the challenges faced by UHI North, West and Hebrides indicates the sector itself finds it challenging to absorb lessons learned from mergers. In the case of UHI North, West and Hebrides, some of the challenges that have arisen are likely due to the knowledge lost in the sector and SFC since the mergers of the 2010s, and the college's rural geography in comparison to more urban areas.

Finally, UHI Transformation represents both a significant strategic risk and series of operational risks for a college still working to embed its own internal change. Staff expressed acute concern that lessons from the merger are not being absorbed at partnership level, and fear that centralisation, insufficient understanding of FE delivery and artificially enforced timelines will repeat issues experienced during the merger.

7.3. Enabling Factors

Clear enabling conditions exist that would allow the college to consolidate, stabilise and grow. Some of these are deliverable by the college with increased and diversified non-core income, but others require the support of UHI Executive Office, SFC and Scottish Government.

Targeted investment that diversifies and grows non-core income streams has increasingly become a precondition for success rather than an enhancement. With no surplus capacity or financial headroom, new income and investment is required to unlock the benefits anticipated for Year 3 onwards, support staff wellbeing, resourcing structural refinement and strengthening place-based delivery. The college's early review focus brought about a single, integrated tertiary curriculum offer, aligned with the local and regional needs of our students, employers, and key stakeholders. However, ongoing curriculum review and transformation, guided by the aims and objectives set out within the Tertiary Curriculum Strategy, should aim to refine a sustainable, relevant, and accessible curriculum.

The college would benefit from sequenced engagement with UHI Transformation, allowing consolidation and growth while still contributing constructively to partnership-wide change. Clear entry points for engagement, coupled with protection of frontline delivery capacity, could reduce pressure on staff and ensure organisational stability.

Investment in locality and place-based presence is a critical enabler. Strengthened community visibility, a clearer sub-regional identity and campus-level engagement would enhance belonging, improve stakeholder confidence and support recruitment and retention. Local Advisory Committees stated their enthusiasm for being involved in this process and would likely benefit from strengthened Terms of Reference.

The HSE and IiP findings provide a credible, externally anchored platform for cultural reset. When acted upon transparently and systematically, these findings can catalyse improvements in trust, communication, leadership and organisational cohesion.

External stakeholder engagement reflects concerns in the college about the approach of UHI Executive Office in terms of centralisation and decontextualised decision making. It validates the merged college's place-based, distributed model, its focus on skills, employer alignment and retention of young people. It also strengthens the case for strengthened local governance and fairer recognition of the additional costs of delivering education in rural and island contexts.[42] This feedback should be taken into consideration in the planning and delivery of UHI Transformation.

7.4. Recommendations

7.4.1. Short-Term Consolidation (Years 3 to 4 / 2025-2027)

The immediate priority is to consolidate internal structures and stabilise the organisation before further major change.

- Implement structured cultural and organisational reform guided by HSE, IiP and staff feedback to the Merger Evaluation Report e.g. early, visible actions on: workload, communication, decision-making, role responsibilities, curriculum leadership, and practitioner-led delivery reflective of pedagogical research
- Provide staff with time and support needed to embed systems, stabilise delivery and rebuild confidence
- Lobby SFC for funding from the College Transformation Fund
- Reconsider approach to engagement with businesses, employers and industry
- Invest in developing/enhancing deep and lasting relationships with key stakeholders in the public and private sector
- Revisit the Terms of Reference for Local Advisory Committees to empower them and support the college on a sub-regional basis

7.4.2. Medium-Term Flagship Initiatives (Year 3 / 2025 onward)

The medium-term focus should be on initiatives that define the college's strategic identity and long-term role.

- Build a coherent institutional narrative rooted in place and long-term regional contribution as an anchor institute
- Develop a small number of flagship initiatives that articulate institutional ambition and provide positive projects for staff to coalesce around
- Align flagship initiatives with regional economic opportunities to reinforce strategic positioning and enhance curriculum alignment with need
- Work to enhance locally relevant engagement, community presence and student belonging across campuses and learning centres
- Consideration of how the learning estate will operate and the best model within that estate to strengthen place-based FE delivery

[42] See Sections 2.1, 2.2 and Appendix 3.

- Leverage relationships with key public and private sector stakeholders to attract funding and place the college at the heart of collaborative projects

7.4.3. UHI Transformation

Engagement with UHI Transformation must shaped by the lessons of the merger and sequenced carefully with a clear understanding of likely outcomes of consultation.

- Advocate strongly for merger lessons to be embedded in Transformation design, and for a long-term view of previous mergers lessons learned to be integrated
- Support a model of growth-based Transformation that enhances long-term sustainability for both the college and UHI partnership
- Prioritise planning detail, sequencing, engagement and understanding of FE delivery
- Ensure staff have capacity to consolidate internally while contributing to system-wide design
- Emphasise the importance of place-based provision, rural and island delivery realities, and partnerships with key stakeholders and industry

Appendix 1

Assessment Framework Analysis

Introduction

This appendix provides a detailed analytical commentary on the Assessment Framework that underpins the Year 2 Merger Evaluation of UHI North, West and Hebrides. It is intended to evidence the scale, complexity and substance of delivery activity undertaken during Years 0 to 2, and to demonstrate how merger objectives have been translated into operational, financial, curricular and organisational change.

The analysis recognises that merger delivery has taken place during a period of sustained financial pressure, workforce instability and sector-wide change. It therefore distinguishes between:

- Structural and corporate delivery,
- Emerging capability and institutional maturity
- Benefits that are not yet fully realised or experienced

Section A: Annual Milestones Achievements

Section A of the Assessment Framework provides a year-by-year account of delivery against merger objectives across Years 0, 1 and 2. Taken as a whole, the evidence demonstrates broad success in achieving the core structural and operational milestones required to establish a functioning merged college, while also making clear where progress has been constrained by financial settlement, workforce capacity and sequencing challenges.

Delivery against Year 0 objectives

The Year 0 evidence shows that the college successfully prioritised legal vesting, continuity of delivery and system stabilisation, despite inheriting fragile financial positions and incomplete organisational integration from the legacy colleges. Core objectives relating to governance, leadership, systems alignment and student-facing continuity were largely achieved, albeit with limited capacity to progress discretionary development activity.

Where Year 0 objectives were only partially met, this was primarily due to:

- The scale of financial uncertainty inherited at vesting,
- The need to redirect capacity toward essential financial control and student support functions,
- Delays associated with implementing a new organisational structure alongside live delivery.

These constraints did not prevent delivery of the foundational merger objectives, but they compressed timescales and increased delivery pressure, setting the tone for Years 1 and 2.

Delivery against Year 1 Objectives

Year 1 evidence indicates that the merged college moved from legal and structural establishment into operational integration and consolidation. Objectives relating to curriculum alignment, student support integration, digital systems convergence and quality processes show substantial progress.

However, the framework also evidences that financial settlement and organisational restructuring materially shaped what could be delivered. In particular:

- Ensuring resources were consciously redirected toward protecting student-facing services
- Some activity that could have supported income generation or longer-term capacity building was delayed or scaled back
- Workforce change and restructuring affected pace and confidence in implementation

This period therefore reflects strategic trade-offs, rather than under-delivery, with stability and learner protection prioritised over growth and innovation.

Delivery against Year 2 Objectives

By Year 2, the evidence shows that the college had largely achieved functional operational stability, with major systems aligned, professional services consolidated and curriculum operating on a single tertiary planning basis.

The framework demonstrates that:

- Core merger objectives were substantially delivered
- The college had developed credible forward plans for Years 3 and beyond
- External confidence was sufficient to support targeted capital and programme bids

At the same time, the framework is explicit that financial performance targets originally associated with merger, particularly the generation of operating surpluses for reinvestment, are no longer achievable within the prevailing sector funding context. This is not presented as a failure of delivery, but as a reflection of external constraints.

Capital, cash protection and cost deferral

A key analytical insight from Section A relates to capital funding and asset condition. The framework evidences:

- Successful applications to SFC for emergency capital grant support

- Flexibility granted by SFC to use FE capital allocations for essential repairs and maintenance
- Short-term protection of cash flow through deferred capital investment

While these measures have been effective, the framework highlights a longer-term risk i.e. delayed investment in physical assets is a form of cost deferral that will, over time, lead to asset deterioration and increased future liabilities.

This analysis is important because it demonstrates that:

- Apparent short-term stability has been achieved through pragmatic financial decision-making
- Merger has resulted in large, diverse estate which is ageing poorly in parts
- These risks sit outside the college's direct control and reflect sector-level funding pressures

Overall assessment of Section A

Section A provides strong evidence that the college has largely met its Year 0–2 merger objectives in structural, operational and governance terms, despite a highly constrained financial environment. Where objectives have not been fully realised, this is clearly attributable to:

- Funding settlement limitations
- Workforce capacity and change impacts
- The prioritisation of student-facing continuity over income-generating or capital-intensive activity

The evidence also supports the conclusion that Year 3 objectives are directionally sound, but that assumptions around surplus generation and reinvestment embedded in the original merger logic are no longer realistic under current sector conditions.

Section B: Key themes supporting the case for merger

Section B of the Assessment Framework reframes the original merger rationale into a series of thematic drivers, intended to capture why merger was necessary and what it was expected to enable beyond immediate financial stabilisation. The themes act as a benefits logic model, setting out anticipated opportunities and the conditions required for their realisation.

Anchor institution role and regional leadership

A central theme in the framework is the creation of a single, coherent regional anchor institution capable of engaging effectively with employers, public agencies and investment partners. The evidence demonstrates that, at a corporate and external level, this objective has been largely achieved.

The merged college now operates as a single interface across a highly dispersed geography, which has strengthened its role in:

- Regional skills planning and workforce development
- Growth Deal and major investment programmes
- Engagement with national agencies and sector bodies

This is evidenced through sustained leadership and involvement in Islands Growth Deal delivery, participation in Inverness & Cromarty Firth Green Freeport skills planning, and leadership of sector-specific initiatives such as hydrogen and energy skills. The political briefing reinforces this external perception, presenting the merged college as a pivotal delivery partner in regional economic development.

However, the framework also shows that this strengthened external role has not yet translated into consistently felt benefits internally. Staff feedback highlights concerns about distance from decision-making and reduced local autonomy, particularly in curriculum and engagement activity. The framework therefore evidences success in external coherence, alongside ongoing tension around internal responsiveness.

Innovation, sustainability and place-based delivery

The framework sets out an ambition for the merged college to act as a driver of innovation, sustainability and place-based development, particularly in response to net zero, demographic change and fragile rural economies.

Evidence shows clear progress in aligning curriculum, research and engagement activity to these priorities, including:

- Expansion of provision in renewable energy, land-based studies and environmental disciplines
- Applied research activity linked to peatlands, sustainable tourism and island resilience
- Development of capital projects aligned to innovation and sustainability objectives

At the same time, the framework is explicit that innovation has largely been enabled through reconfiguration of existing capacity rather than new investment. Financial constraint has limited the pace and scale at which innovation can be embedded, and some planned developments remain aspirational or dependent on external funding cycles.

The success here is therefore best understood as directional alignment and capability-building, rather than full delivery of intended outcomes.

Communities, culture and regional identity

A further theme relates to sustaining communities, culture and identity, including Gaelic language and island-based provision. The evidence shows that the merged college has maintained and, in some areas, strengthened its role in supporting cultural and community priorities through curriculum, partnerships and external engagement.

However, the framework also highlights a tension between regional coherence and local identity. While merger has enabled consistency and scale, staff and community stakeholders continue to express concern about the dilution of local voice and visibility. This reinforces the importance of Local Advisory Committees and place-based engagement mechanisms, which the framework identifies as an area requiring further development.

Overall assessment of Section B

Section B demonstrates that the merger has largely succeeded in establishing the strategic conditions required to deliver its intended benefits, particularly in terms of external alignment, regional leadership and place-based mission. However, the framework also makes clear that:

- Benefit realisation is uneven
- Internal experience lags behind external credibility
- Many benefits depend on funding, workforce stability and time rather than structural change and enablement alone

Section C: Key merger deliverables to the end of Year 2

Section C of the Assessment Framework provides the most concrete evidence of what has actually been delivered as a result of merger. It is structured as an inventory of tangible outputs across curriculum, student experience, research, people and culture, estates and systems.

Curriculum integration and delivery model

The evidence shows that the merger has enabled the development of a single tertiary curriculum delivery model, operating across multiple locations and delivery modes. This includes:

- Multi-location delivery of vocational and academic provision,
- Structured online and hybrid delivery supporting learners in remote communities
- Shared curriculum frameworks and units to improve cohort viability

These developments represent a substantive operational achievement. They demonstrate that the merged college has moved beyond nominal integration to delivering provision in ways that would not have been feasible within the legacy college structures.

However, the framework also evidences that staff experience of this model is mixed. Concerns around curriculum leadership, workload and pedagogical coherence persist, particularly following removal of PL1 roles. The success here is therefore structural and operational, but not yet fully embedded culturally.

Student experience and support

The framework evidences successful integration of student support, registry and quality functions, with consistent processes and documentation now in place across the college. Student satisfaction metrics remain strong, indicating continuity of learner-facing delivery despite organisational disruption.

At the same time, the framework captures emerging concerns about consistency of experience as systems bed in. This supports the wider evaluation finding that maintaining high-level metrics does not remove the need to address variation and equity at local level.

Research and knowledge exchange foundations

Deliverables in research and knowledge exchange are primarily foundational and enabling. The framework evidences:

- Establishment of a shared Research and KE Strategy
- Development of baseline measures and KPIs
- creation of enabling infrastructure and shared definitions through the Scholarship–Research Continuum

This represents a meaningful shift from fragmented activity toward institutional coordination. The success lies in building the conditions for future growth, rather than in immediate income or output expansion. Additionally, these elements could be influential in shaping the UHI Transformation agenda.

People, culture and workforce change

The framework evidences extensive organisational restructuring, role redesign and consolidation. These changes delivered efficiencies and reduced duplication, but also significantly impacted morale, workload and identity.

While some staff have benefited from larger teams and broader professional opportunities, the framework is clear that cultural integration has been constrained by funding limitations and change fatigue. The absence of a fully resourced cultural integration programme is a notable gap.

Estates and capital delivery

Section C also evidences targeted capital delivery, including the completion of externally funded projects such as the Stornoway Technology and Innovation Centre. However, it also highlights that estate improvement has largely been reactive rather than transformational, reflecting capital scarcity and reliance on emergency or restricted funding.

Overall assessment of Section C

Section C demonstrates that a substantial volume of tangible merger delivery has been achieved, particularly in systems, curriculum delivery and organisational coherence. The evidence also supports the conclusion that:

- Delivery has been prioritised over experience
- Foundational work has often substituted for transformational change
- The human cost of delivery has been significant

Section D: Progress against merger objectives

Section D explicitly maps merger objectives to intended benefits and measures of success, providing the clearest lens through which to assess the successes of the merger on its own terms.

Financial sustainability and resilience

The framework sets out an objective to create a financially sustainable organisation capable of maintaining access to tertiary education across a large rural region. The evidence shows that this objective has been partially achieved.

The merger has:

- Addressed the immediate unsustainability of the legacy colleges
- Enabled early financial stabilisation and recurring savings
- Created the organisational capacity to develop and implement an at-scale Financial Recovery Plan

However, the framework is explicit that surplus generation and reinvestment, as originally envisaged, are no longer achievable within the current sector funding environment. This is a critical analytical point: the merger has improved resilience relative to the counterfactual but cannot overcome systemic underfunding.

Curriculum growth and relevance

The framework identifies growth in strategic priority areas as a key objective, measured through enrolments, apprenticeships and alignment to labour market demand. Evidence shows:

- Growth in full-time FE provision
- Expansion of priority-sector curriculum
- Improved coherence in planning and delivery

Where data comparability is limited, the framework explicitly flags this, avoiding overinterpretation.

Student outcomes and experience

High student satisfaction and positive destination outcomes provide evidence that the merger has not undermined learner outcomes. However, the framework also highlights belonging and student experience consistency as ongoing challenges, reinforcing the need for consolidation rather than further structural change.

Research and knowledge exchange ambition

The framework sets realistic objectives for research growth, recognising REF cycles, funding constraints and staff capacity. Success is evidenced through governance, measurement and strategy, rather than headline income growth.

Overall assessment of Section D

Section D supports the conclusion that the merger has largely delivered what it could reasonably deliver within two years, given the external context. Where objectives have not been fully realised, this reflects:

- External funding constraints,
- Necessary prioritisation of stability and student protection
- The time required for cultural and capability change

Appendix 2

Summaries of Previous Merger Reports

UHI North, West and Hebrides Merger to Vesting: End of Project Report (April 2024)

The report concluded that the merger of UHI North Highland, UHI Outer Hebrides and UHI West Highland to form UHI North, West & Hebrides successfully delivered its central objective of creating a single, unified institution (pp. 3-4). Analysing the period from September 2021 to vesting on 1 August 2023, the review found that the project achieved this outcome under challenging circumstances, with the overwhelming majority of staff and leaders undertaking a merger for the first time.

The report noted that, given the decade since the last major programme of college mergers in Scotland, much of the sector's previous corporate and institutional knowledge of mergers had been lost. In this context, the 'hard work, tenacity, teamwork and ambition of all involved' was critical to the project's success, concluding that without such commitment the merger could have faced significant risk of delay or poor benefit realisation (p. 4).The evaluation assessed the merger's effectiveness across seven key areas:

- The report highlights 'very successful' stakeholder engagement with staff, students, local communities and partner bodies, which helped secure broad support for the merger (pp. 18-19, 25).
- Partial success was observed in governance and resource management, where effective structures were ultimately established, but early role clarity between legacy Boards of Management, Partnership Board and Transition Board could have been stronger. Additional costs were also incurred due to the differing legal structures of the merging colleges (pp. 23-24). The report also noted that targeted travel and subsistence funding for in-person collaboration across dispersed campuses proved valuable but was under-utilised (pp. 4, 20, 25).
- Less successful areas included financial due diligence, where limited early resourcing led to inconsistent data and late-stage risk discovery (pp. 19-20), and continuity of leadership following the reassignment and eight-month gap in the Merger Programme Director role (pp. 14, 21).
- A particular issue for the project was the increased workload placed on staff required to manage their normal duties alongside merger preparations (pp. 21-22).

The report identifies five follow-on projects required to consolidate the new college's operations (pp. 15-17):

i) Organisational Design: developing a unified staffing and management structure.
ii) Curriculum Review: creating a single tertiary curriculum offer.
iii) Integrated Operational Delivery: aligning systems and processes across all functions.
iv) Performance & Planning Strategy :embedding quality and performance management.
v) Impact Assessments: ensuring fair access for island and rural communities under the Islands (Scotland) Act 2018.

Overall, the merger was judged a major operational success achieved under significant financial and organisational constraint. It demonstrates the commitment and resilience of staff and leadership across the three colleges and provides valuable lessons for future sector integration. Key lessons include the need for early leadership continuity, robust financial scrutiny, clear and consistent governance structures, dedicated merger resources, and proactive investment in staff engagement and communication (pp. 25-28).

End of Project Report: Post-Merger Integration of UHI North, West and Hebrides (February 2025)

The report concludes that the post-merger integration phase successfully delivered the key objectives of consolidating UHI North, West and Hebrides into a single functioning institution with unified governance, management, and curriculum structures (pp. 7-8). Despite significant financial pressures and industrial relations challenges, the report finds that the college achieved operational stability, realised substantial cost savings, and maintained continuity of teaching, learning, and research throughout a complex period of organisational change.

The Post-Merger Integration (Phase 3) programme ran from August 2023 to October 2024, focusing on completing the structural and operational changes initiated before vesting. Funding for this phase was reduced from £1.1 million to £425k, requiring the college to prioritise essential restructuring, HR processes, and governance over wider systems or cultural development (p. 10).

The evaluation identifies three core project areas that underpinned the success of the phase (pp. 11-15):

- **Interim Operational Management**: Cross-college Operational Delivery Groups were introduced to maintain functional coherence and ensure business continuity during transition. These groups provided the framework for collaboration across curriculum, estates, HR, ICT, and finance functions until the new structure was implemented.
- **Organisation Design**: An interim structure was developed and implemented, achieving approximately £2 million in annualised savings through 44 voluntary-

severance departures (33.8 FTE) and a further £0.8 million through vacancy management (p. 15). Industrial relations issues delayed full implementation, but the interim structure provided a workable model that maintained service delivery.

- **Curriculum Review**: The college delivered its first unified tertiary curriculum for academic year 2024/25, aligning provision across the former colleges and introducing new courses such as Countryside & Wildlife HNC/HND. An Equality and Islands Impact Assessment confirmed no adverse effects on island communities (pp. 22-23).

The report sets out several follow-on actions for 2025 and beyond (pp. 21-23):

i) Final Board approval and implementation of the permanent organisational structure once industrial disputes are resolved.
ii) A six-month post-implementation review of the new structure's effectiveness.
iii) Completion of pay-mapping and self-assessment exercises.
iv) Delivery of a college-wide Workplace Culture and Employee Engagement Programme.
v) Continued monitoring of Equality and Islands Impact Assessments for major organisational and curriculum changes.

The lessons-learned section identifies several themes for future transformation programmes (pp. 24-40):

- **Strategy and Planning**: Strategic goals beyond cost savings should be defined early, and impact-assessment and compliance tracking integrated from the outset.
- **Leadership and Management**: The interim Executive Leadership Team provided clarity and unity of purpose, but the report recommends establishing a delegated senior-management tier in future to avoid bottlenecks.
- **Organisation Design and HR**: Early planning, clear timelines, and robust consultation processes are essential. The college change management templates and policies are identified as exemplars for future mergers.
- **People and Culture**: Staff goodwill was exceptional, but stress and anxiety were widespread. The report recommends early stress risk assessments and dedicated cultural integration funding in future programmes.
- **Communications**: Transparent and frequent updates were effective, though at times overwhelming. In-person and local engagement proved most effective for trust building, while the SharePoint 'Home Hub' was recognised as a valuable communications tool.
- **Finance and Systems**: Early standardisation of HR, finance, and ICT systems is vital, and specialist transformation resource should be built into future planning.

Overall, the post-merger integration phase was judged a major operational and organisational achievement delivered under constrained circumstances. It demonstrates the resilience, professionalism, and commitment of staff across a dispersed geography and establishes UHI North, West and Hebrides as a unified, financially viable tertiary college. The report's key lessons emphasise the need for early and consistent leadership, investment in management capacity and staff wellbeing, rigorous financial planning, integrated communications, and sustained attention to cultural and organisational development (pp.24-40).

Appendix 3

Merger Contextualisation

Analysis of Previous Mergers

Making the decision to commence a merger in the Scottish college sector was a significant undertaking; apart from UHI Shetland,[43] no mergers had taken place since the major wave at the same time as the regionalisation process between 2010 and 2013. Much of the sector and SFC's practical experience had therefore diminished, meaning this merger effectively began from a standing start despite earlier precedents.

As set out in Section 2, the merger process and post-merger integration phase have been characterised by significant change and uncertainty in the sector and society. Section 4 shows that whilst stakeholders recognise successes and see opportunities for the college, there are significant challenges that have arisen as a result of merger and the landscape UHI North, West and Hebrides operates in. UHI Transformation is an additional confounding factor which has arisen at a time when the college's stakeholders are seeking consolidation of change, development of a new institutional cultural identity, and growth to mitigate financial pressures.

UHI North, West and Hebrides' experience of merger has not been particularly unusual in comparison to other mergers. The major differentiators between this and previous mergers are the large geographic scope of the college and the emerging UHI Transformation agenda.

Three major reports that consider the impact of the mergers have been undertaken. Appendix 4 sets out a detailed analysis of the reviews of the earlier programme of mergers, summarised below:

Table 7: Summary of Previous Scottish College Merger Reports

Review Name and Year	Findings
Scottish Parliament Committee Regionalisation Enquiry (2023)[44]	The Inquiry found that regionalisation delivered clearer regional identities, more coherent curricula, stronger student voice structures and improved collaboration with schools, universities and employers. However, it also highlighted disconnection across multi-campus regions, ongoing financial instability, significant estate pressures and constraints on innovation. Student satisfaction remained generally positive, but expectations for flexible and hybrid learning are rising, creating tension with the demands of vocational delivery.

[43] UHI Shetland, a non-incorporated college, was formed in 2021 from a merger of Shetland College UHI, NAFC Marine Centre, and Train Shetland (part of Shetland Islands Council).
[44] The Scottish Parliament (2023) *College Regionalisation Inquiry.* Available at: College regionalisation inquiry | Scottish Parliament

SFC Merger Programme Report (2017)[45]	The SFC concluded that mergers were broadly successful, generating substantial efficiencies (around £52m annually), reducing duplication and strengthening curriculum coherence, employer engagement and learner pathways. Yet mergers proved far more complex than anticipated, taking place amid wider system disruption and revealing significant challenges in culture change, systems integration, staff wellbeing and governance, particularly around severance. The SFC stressed that successful mergers require sustained leadership, long-term investment and careful post-merger organisational development.
EIS-FELA Report (2015)[46]	Drawing on a large staff survey, EIS-FELA presented a strongly negative assessment, reporting widespread concerns about loss of local identity, increased bureaucracy, weaker communication, reduced student support and declining morale. The report argued that educational benefits had not been realised, with funding cuts compounding negative impacts, and questioned whether severance spending delivered genuine savings. It also highlighted issues around inconsistent severance packages and the loss of experienced staff incentivised to leave.

There are no publicly available reviews or lessons learned of the UHI Shetland merger. Shetland Islands Council staff produced a lessons learned report on the merger project that was considered by Shetland College Board, Education and Families Committee, Policy and Resources Committee, and full Shetland Islands Council through March 2022, but in all circumstances the report was exempt from public access and the public excluded for the agenda items[47].

[45] Scottish Funding Council (2016). *Impact and Success of the Programme of College Mergers in Scotland*. Available online: Impact and success of the programme of college mergers in Scotland 2012-13 and 2013-14

[46] EIS Further Education Lecturers' Association (2015) *EIS-FELA Report on College Mergers*. Accessible here: 261115_Report on EIS College Merger Public_web.pdf

[47] Shetland Islands Council: Minute, College Merger - Lessons Learned. Meeting of Shetland Collge Board 2nd March 2022

Socioeconomic Analysis

Table 8: Socioeconomic Analysis

Factor	Challenge	Impact on merged college
Post-COVID-19 Legacy	Learner transition	Learners entering the college system since 2021 often have different needs than previously, including changed expectations and greater support requirements (academic and pastoral). This has affected staff workloads.[48]
	Changing delivery modalities	COVID-19 increased demand for digital delivery, but connectivity and digital exclusion remain significant barriers in island and rural areas.[49]
	Mental health and wellbeing impacts	Both students and staff have reported higher levels of anxiety and burnout, affecting retention and performance.
Economic and Fiscal Pressures	Flat or declining real-terms public funding	Scottish Government budgets for tertiary education have been effectively flat while costs (energy, pay, materials) have risen steeply. Colleges have had to absorb cost inflation without proportional uplift, leading to structural deficits.
	Inflationary spikes	The post-pandemic inflation surge (2022–2023) drove up utility, transport and construction costs. Rural campuses, often older and less energy-efficient, faced particularly steep energy bills.
Demographic and Population Shifts	Depopulation in rural and island areas	Continuing out-migration of young people from the Highlands and Islands affects local demand for FE/HE provision and risks sustainability of smaller campuses.
	Ageing population and labour shortages	Skills shortages in health, construction, hospitality and care increase employer demand for flexible training, but limited staff and resources constrain the college's ability to respond rapidly

[48] Audit Scotland (2023). *Scotland's Colleges 2023*. Available at: https://audit.scot/publications/scotlands-colleges-2023 and Audit Scotland (2024). *Scotland's Colleges 2024*. Available at: https://www.audit.scot/publications/scotlands-colleges-2024

[49] Scottish Funding Council (2021). *Review of Coherent Provision and Sustainability - Progress Update - March 2021*. Available at: Review of Coherent Provision and Sustainability - Progress Update - March 2021

Regional Inequality and Cost of Living	Rising cost of living	Food, fuel and housing cost increases have hit students hard in rural areas.
	Housing shortages	Limited housing (particularly affordable options) near campuses limits student recruitment, staff attraction and retention, and interrelated economic activity e.g. provision of graduate positions.
	Transport and connectivity barriers	Ferry disruption, limited bus services, and high travel costs make equitable access to campus learning difficult. Press coverage of issues could create perceptions that college area is unattractive place to live and learn.
	Digital infrastructure gaps	Despite improvements, broadband and mobile coverage remain inconsistent across the region, constraining digital inclusion and flexible learning – this is a particular issue where living costs make hybrid delivery attractive to students and staff.

Appendix 4

Analysis of Previous Mergers

The regionalisation programme led to a significant reduction in the number of colleges in Scotland outside the UHI region, which was not included. Significant amount of analysis has been undertaken of the process by various organisations and bodies, three instances of which are summarised below.

Scottish Parliament Committee Enquiry (2023)

The Scottish Parliament's Education, Children and Young People Committee undertook a college regionalisation inquiry published in March 2023.[50] The enquiry findings, unlike earlier analysis, also took account of the impact of the COVID-19 pandemic and a long-term view on factors directly and indirectly affecting the post-16 education sector.

The enquiry found positive outcomes from regionalisation and challenges, both from regionalisation and the wider changes to the further education sector, including:

Table 9: Scottish Parliament College Regionalisation Enquiry Positive Outcome and Challenges Summary

Positive Outcomes	Challenges
- The creation of larger, more strategic regional colleges, giving institutions a stronger voice in economic development and regional partnership working. - Curriculum coherence across regions, reducing duplication and supporting more consistent learner pathways. - A significantly stronger platform for student voice, with student associations embedded in governance and demonstrating tangible influence. - Improved collaboration with schools, universities and employers, supporting transitions and regional skills planning.	- Disconnection across multiple campuses and, in some cases, a loss of connection with smaller communities previously served by legacy colleges. - Financial instability across the sector, with colleges operating under sustained funding pressures, rising staff costs, estate maintenance backlogs, and limited ability to generate or retain income. - Estate condition pressures, with significant backlog maintenance and limited capital investment. - Constraints on innovation due to rigid funding and regulatory structures. [51]

Regarding learner experience, the Enquiry found that:

- Student satisfaction remained generally positive, and support services became more consistent region-wide.[52]

[50] The Scottish Parliament (2023) *College Regionalisation Inquiry.* Available at: College regionalisation inquiry | Scottish Parliament
[51] *Ibid*., summarised from pp.6-7.
[52] *Ibid*., p,14.

- Students increasingly expect flexible and hybrid models, which colleges must balance against the needs of vocational, practical training.[53]

SFC Merger Programme Report (2017)

The SFC initially published their report *Impact and success of the programme of college mergers in Scotland* in August 2016. After having received a full set of harmonised data from the sector, they published an updated version in March 2017.[54]

The SFC concluded that mergers were broadly successful, delivering major efficiencies through reduced duplication, shared services and better estate use, generating around £52m in recurring annual savings, although over 92% of this was achieved through staff severance and required additional funding.[55] Merged colleges developed stronger regional identities with more coherent curriculum planning, improved employer engagement and clearer learner pathways, including better articulation and strong positive-destination rates.[56] Student voice structures also strengthened significantly, supported by national investment in Students' Associations.[57]

Mergers occurred amid wider system upheaval, including funding pressures, ONS reclassification, national bargaining and new regional structures, which complicated implementation.[58] Colleges underestimated the scale of cultural, organisational and systems integration, leading to uneven progress and capacity pressures.[59] Governance weaknesses, particularly around severance, required SFC intervention and tighter oversight after issues highlighted by Audit Scotland.[60]

Mergers require sustained leadership, clear strategic intent and strong communication, but also significant long-term investment in staff wellbeing, culture change and organisational development, as embedding change takes several years (pp. 34–39). Business systems integration proved far more complex and resource-intensive than anticipated, while robust governance – especially around severance decisions – is essential to protect future capability (pp. 34–39). Overall, mergers succeed when colleges plan not just structural change, but the sustained cultural, workforce and systems support needed well beyond vesting day.

---

[53] *Ibid*., p.33.
[54] Scottish Funding Council (2017). *Impact and Success of the Programme of College Mergers in Scotland*. Available online: Impact and success of the programme of college mergers in Scotland 2012-13 and 2013-14
[55] *Ibid*., pp.9-14, 25-28.
[56] *Ibid*., pp.14-24.
[57] *Ibid*., pp.19-21.
[58] *Ibid*., pp.29-31.
[59] *Ibid*., pp.34-38.
[60] *Ibid*., pp.38-39.

EIS-FELA College Merger Report (2015)

Following the wave of mergers in the early 2010s, EIS-FELA produced a highly critical report in 2015 based on a large-scale EIS-FELA member survey and analysis of other information[61]. The large-scale staff survey shows near-unanimous negative sentiment about the outcomes of mergers with respondents reporting little to no improvement and often deterioration across core areas. Comments provided in the survey identified:

- Loss of local identity
- Greater bureaucracy and slower decision making
- Reduced student support
- Significant stress, low morale and perceived bullying
- Poorer communication and weaker management structures

In conclusion, the report suggested:

- A large majority of EIS-FELA members felt their pre-merger colleges delivered better teaching and that the promised benefits of merger had not been realised.
- Staff reported no improvements in teaching, support, regional alignment, flexibility or management, leading EIS-FELA to conclude that the educational rationale for mergers was weak.
- The negative impacts attributed to mergers were likely exacerbated or masked by significant Government funding cuts to the college sector.
- EIS-FELA argued that money spent on voluntary severance would have been better used to strengthen the sector and noted Audit Scotland found no evidence of merger-related savings beyond staff reductions.
- Audit Scotland reported that Government and the SFC were unable to measure whether merger benefits were delivered, raising concerns about oversight.
- Many lecturers felt compelled to leave because voluntary severance was far more favourable than redundancy, resulting in the loss of experienced staff who would otherwise have stayed.
- EIS-FELA expressed concern about the disparity between (and exploitation of the disparity between) severance packages between non-senior and senior staff.[62]

---

[61] EIS Further Education Lecturers' Association (2015) *EIS-FELA Report on College Mergers*. Accessible here: 261115_Report on EIS College Merger Public_web.pdf

[62] *Ibid.*, summarised from pp.13-14.

Appendix 5

Staff Survey Analysis

The staff survey was open for all UHI North, West and Hebrides staff between Monday 3rd and Friday 14th November 2025. All staff were made aware of the survey via an invitation email from the Principal and Chief Executive, which contextualised the purpose of the survey and encouraged staff to take part.

The questions in the survey were developed collaboratively between the college Executive Leadership Team and the appointed consultant, using the *Rural and Islands College Merger Proposal and Business Case*, insight from previous surveys and corporate knowledge of the college.

The full responses are held by the college.

Section 1: Staff Profile

Question 1: Which response best describes your employer prior to merger? Were you:

39% (45 respondents) of staff previously were previously employed by UHI West Highland. This was closely followed by staff previously employed by UHI North Highland, representing 34% (39 respondents). 20% (23 respondents) were previously employed by UHI Outer Hebrides, just over half the number legacy UHI West Highland respondents. 7% (8 respondents) began their role after the merger or had a different employer.

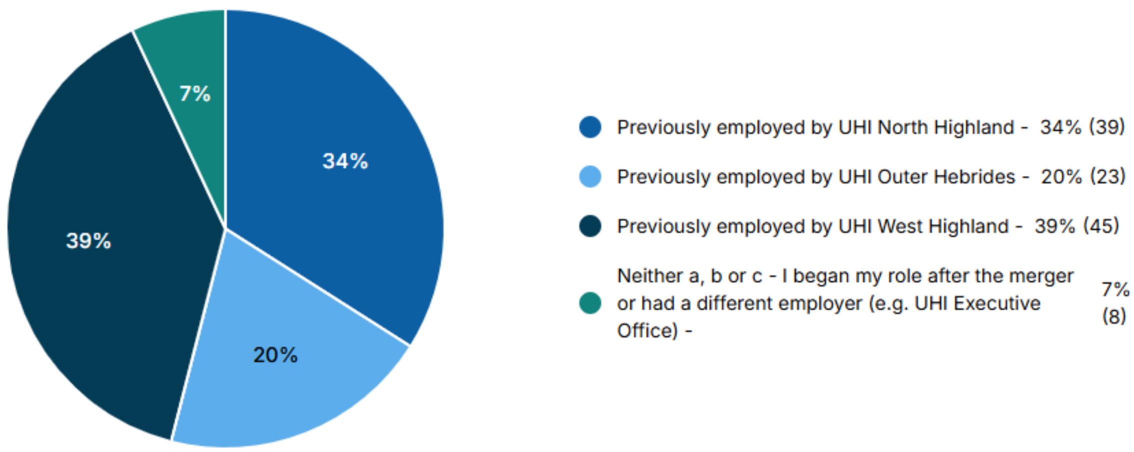

Figure 3: Staff Survey Q1 Responses

Question 2: Which response best describes your current role?

The biggest group of respondents was academic staff, representing 51% (59 respondents). Of this group, 8% (9 respondents) described themselves as being ‘Academic middle management (e.g. Manager / Lead)’.

Professional service staff made up 43% of participants (49 respondents). Of this group, 9% of total participants (10 respondents) described themselves as being 'Professional services middle management (e.g. Manager / Lead)'.

Executive / Senior Management staff represented 6% of participants (7 respondents).

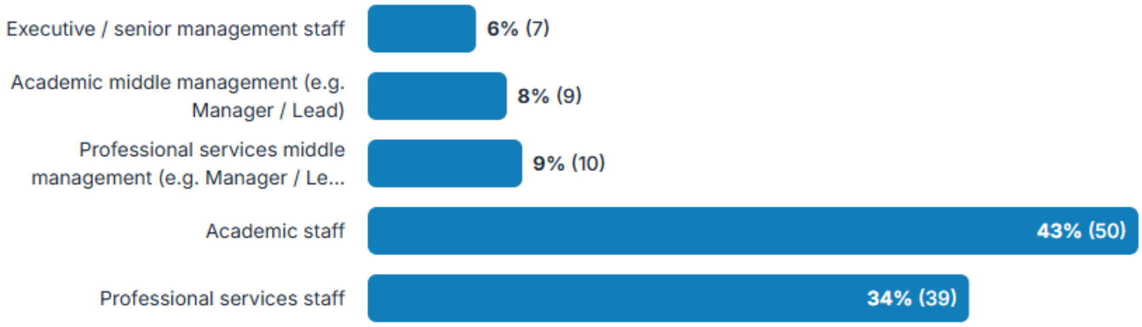

Figure 4: Staff Survey Q2 Responses

Section 2: Looking Back – Merger Benefits

Question 3: In your view, what positive changes have you seen since the merger?

This question invited respondents to provide free text answers. Responses were assessed as overall positive or negative and assigned a tag based on their primary message. Some respondents provided both positive and negative reports or caveated their responses – in these cases an objective assessment was attempted for analysis. 6 respondents were assigned a tag of 'not applicable' based on their responses.

Of the 109 relevant responses, 53% were positive (58 respondents). Figure 5 shows the tag breakdown of the positive responses.

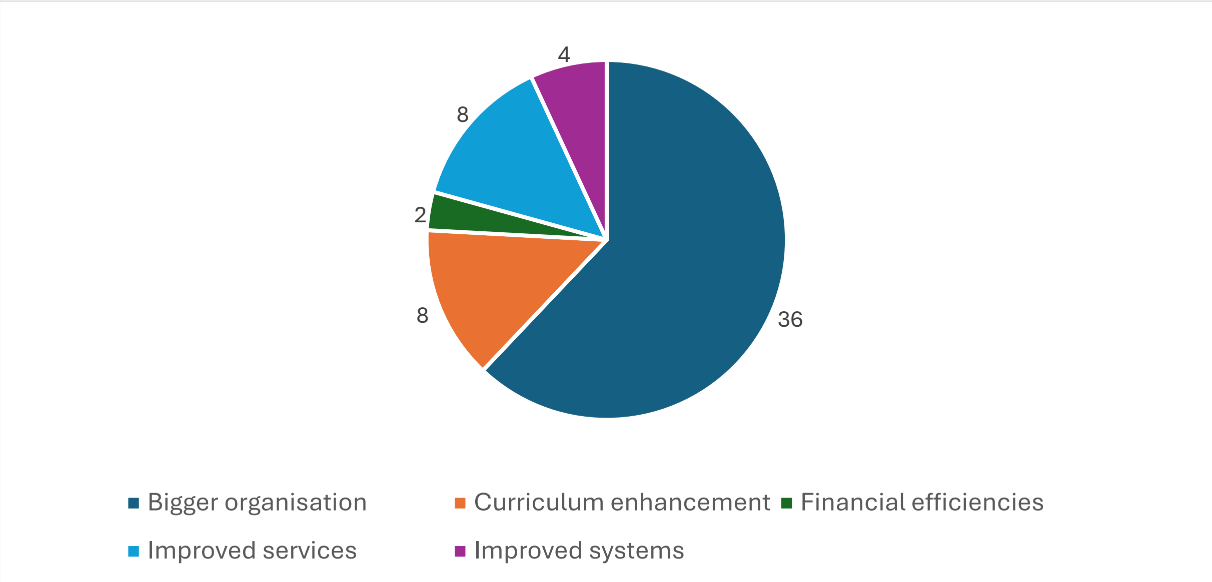

Figure 5: Staff Survey Q3 Positive Response Analysis

The majority of the respondents giving positive responses focussed on the benefits of being part of a larger organisation. The responses with this tag focussed on positives including:

- Connection with large group of experienced staff
- Access to a broader curriculum for learners
- Camaraderie through difficult merger process and post-merger period
- Pooling of resources

Other positive responses focussed on:

- Streamlining of services and system, with several staff mentioning HR resources and the HR system, Cascade
- Connections with more colleagues and campuses creating curriculum opportunities
- Financial savings and management through voluntary severance, economies of scale and enhanced financial management

47% of responses to Question 4 were negative (51 respondents). Figure 6 shows the tag breakdown of the negative responses:

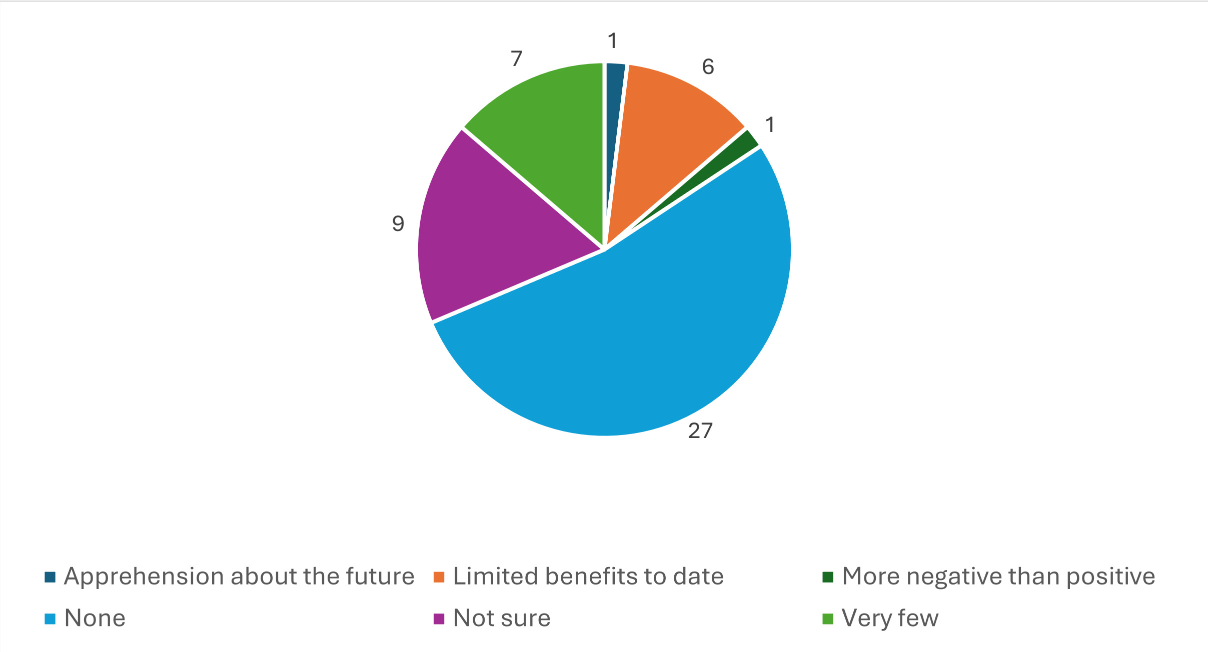

Figure 6: Staff Survey Q3 Negative Response Analysis

Many of the respondents whose responses were tagged as 'None' provided no further detail. Other negative responses focussed on the following issues:

- Perception that the merger was poorly managed
- Perception that management do not understand issues faced by staff at lower tiers in the organisation
- Disquiet over the large number of staff who left in the run up to and post-merger

- Remaining staff being stretched due to increasing workloads
- Removal of the Promoted Lecturer posts
- Poor communication of key messages
- Lack of benefit in academic activities

The table below shows the breakdown of negative and positive feedback filtered based on the answers to Question 2, excluding the 'not applicable' answers. A significantly higher proportion of academic staff gave a negative response to Question 4.

Table 10: Positive / Negative Responses to Q4 filtered by Q3 Response

Q2 Response	Positive Response to Q4	Negative Response to Q4
Executive / senior management	6	1
Academic middle management	6	3
Professional services middle management	9	0
Academic staff	19	31
Professional services staff	18	16

Question 4: To what extent do you think the merger has improved opportunities for students?

Only 16% (18 respondents) gave positive support ('greatly improved' or 'somewhat improved') to this question. 42% (48 respondents) believed the student experience has declined, with 69% of respondents providing this answer being staff who identified as academic or academic middle management.

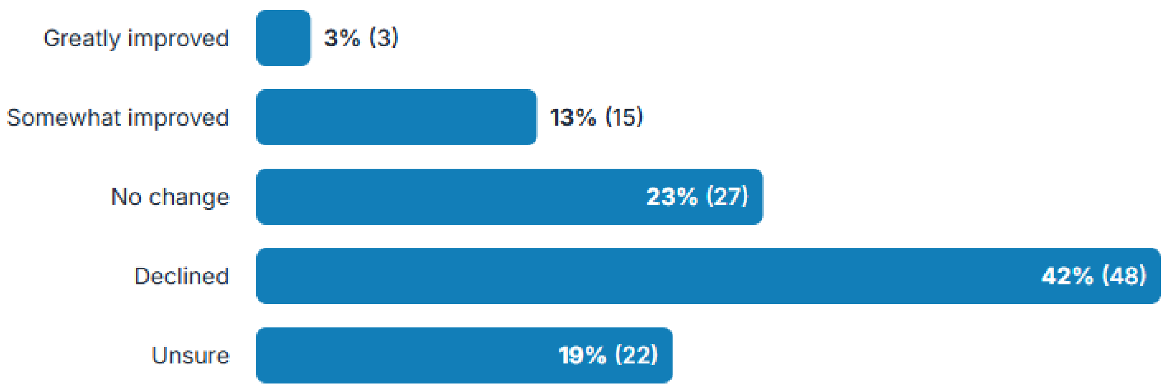

Figure 7: Staff Survey Q4 Responses

Question 5: Where do you think the merger has made the college stronger as an organisation? (tick all that apply)

The answer selected by most respondents – 28% (32 respondents) was 'Staff capacity, expertise and collaboration'. 'Curriculum access and course choice' and 'Use of digital technology, systems and processes' were both selected by 24% (28 respondents).

'Capacity for research and knowledge' was selected by 19% of the group (22 respondents) – this is surprisingly high in the context of the relatively small number of overall staff involved in those activities. 'Financial resilience' was selected by 17% of the group (20 respondents). This seems surprisingly high in the context of the Focus Group feedback, where many contributors noted the seeming lack of financial resilience despite the merger.

Only 3% (3 respondents) selected 'student satisfaction', despite student satisfaction surveys and scores remaining high throughout the merger process, signalling a disconnect between staff perception and the survey returns by completing students.

Table 11: Staff Survey Q5 Responses

Option	Count	Percentage
1. Curriculum access and course choice	28	24%
2. Student satisfaction	3	3%
3. Capacity for research and knowledge exchange	22	19%
4. Staff capacity, expertise and collaboration	32	28%
5. Strategic partnership working with employers and communities	11	10%
6. Use of digital technology, systems and processes	28	24%
7. Financial resilience	20	17%
8. Infrastructure development, including estates and equipment	15	13%
9. Other (please specify)	38	33%

33% (38 respondents) selected 'Other'. Their responses have been grouped as appropriate and reported below:

- None (26 respondents) with additional comments below
    - We can only assume that the college is now more financially resilient.
    - Any gains have been wiped out by both the academic and support cuts.
    - Aside from HR (See Q3)
    - You haven't provided real choice.
    - Although money has been saved, the sustainability of the college doesn't look great.
    - The college has declined as an organisation.
    - It's worse than it was.
    - It would be argued financial resilience, but I think that is the wrong term and is more along the lines of cut costs.

    - Personally I think we have went backwards rather than forwards in most things.
    - I find it difficult to comment here as many Hebridean students have had limited improvements.
- I do think that we have an opportunity to collaborate and bring benefits of expertise, but we do not have the time to do this effectively. Consideration should have been given to the time implication of merging faculties and staff, and sharing expertise and additional standardising, at least for the first year.
- Curriculum access yes. Course choice is the same. Two points in one question. I would agree that use of digital technology "should" be better and could be, but don't think this has yet been realised. Q4 could be "greatly improved" but the problem is UHI and the website
- Perhaps in the model of distributed education through tech
- Shared practice
- We possibly have a slightly stronger voice when dealing with other UHI Academic Partners, but this hasn't manifested itself as more money or more students in my area.
- There is a way to go in almost all areas
- The provision of an HR department.
- Expertise and collaboration but not staff capacity
- Unsure or n/a (3 respondents)

Section 3: Current Experience

Question 6: What has been most challenging for you or your team since the merger?

This question generated a significant amount of written feedback from staff. The issues highlighted repeatedly are set out below:

- Student experience being negatively affected
- Poor communication
- Amount of time taken to secure decisions
- Processes (inefficiencies, learning new ways of working)
- Loss of local identity and decision making
- Increased workload and reduced capacity across all teams
- Approach to Voluntary Severance exposing resource and knowledge gaps
- Curriculum structure and removal of PL1 role
- Lack of clarity around responsibility and accountability
- Poor morale, high stress levels and mental health issues amongst staff
- Lingering uncertainty due to financial situation and UHI Transformation
- Procurement restrictions leading to increased cost and inefficiency
- Limited opportunity to meet face-to-face

Question 7: Do you feel you have the right opportunities to contribute ideas and improvements in your role?

72% (83 respondents) answered positively. However, more than twice as many staff responded 'Sometimes' (52%, 60 respondents) in comparison to 'Yes, definitely' (20%, 23 respondents).

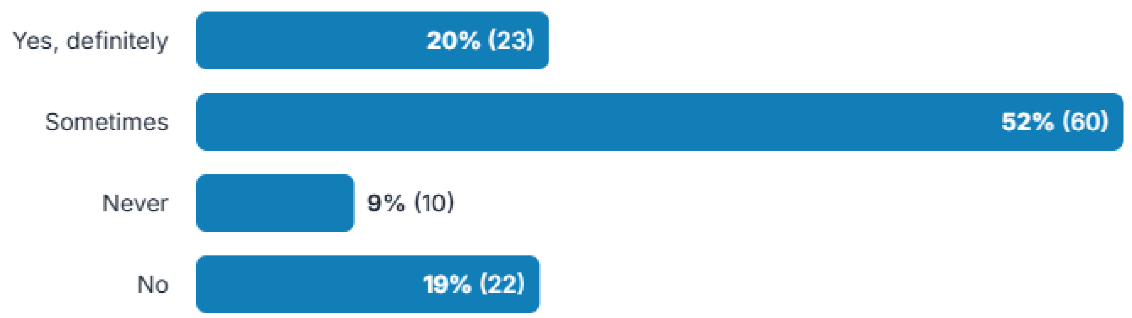

Figure 8: Staff Survey Q7 Responses

Question 8: How connected do you feel to the college (beyond your immediate team/centre)?

Responses to this question were split. 46% (53 respondents) gave positive answers, while 54% (62 respondents) gave negative responses. Nearly twice as many staff gave a strongly negative response (22%, 25 respondents) in comparison to a strongly positive response (11%, 13 respondents).

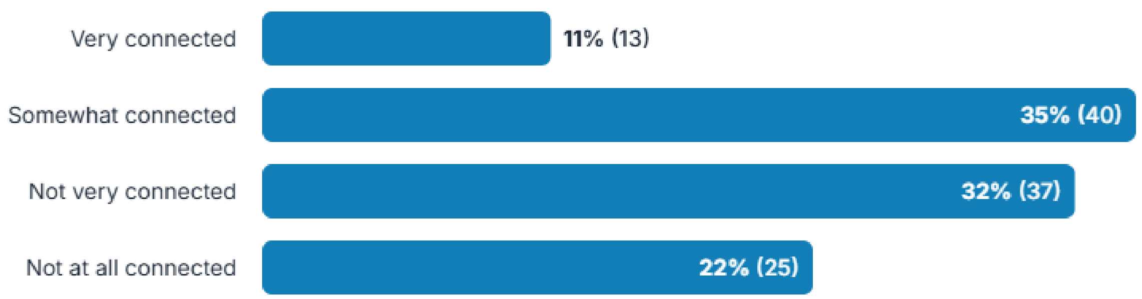

Figure 9: Staff Survey Q7 Responses

Question 9: What's the one thing you think we most need to improve to realise the benefits envisioned in the *Merger Proposal and Business Case* three years ago?

This question generated a significant amount of written feedback from staff. The subjects repeatedly raised by staff are set out below:

- Clarification of post-merger vision and strategic priorities
- Increased focus on alignment of systems and processes
- Focussing on role of college as an educational institution rather than a business
- Enhanced communication

- Faster decision-making at appropriate levels within management structure
- Management rebuilding trust with staff
- Curriculum restructure, including the reintroduction of PL1 / course leader roles
- Prioritisation of local requirements and embeddedness in communities
- Investment in professional development

Section 4: Looking Forward – Transformation Readiness

Question 10: How confident are you that the college can adapt successfully to future changes (e.g. UHI Transformation)?

Responses to this question were overwhelmingly negative, with 71% (81 respondents) responding 'Not very confident' or 'Not confident at all'. Only 1% (1 respondent) responded 'Very confident'.

Figure 10: Staff Survey Q10 Responses

Question 11: What strengths do you think the new college brings to the wider UHI Transformation?

In a similar vein to the other free text questions, this question generated a significant amount of feedback. However, responses to this question were more diverse and less easy to characterise and group than other free text questions.

A key message that came from the responses was that the merger experience can be of value to the UHI Transformation, but only if there is honesty and candour about the successes and failings that staff do not feel is present at the current time.

As further evidence by the Focus Groups, staff in general feel extremely concerned and apprehensive about the prospect of further change, with numerous members of staff saying they would leave before going the process again due to the professional and personal challenges it created. Staff are also concerned about the prospect of centralisation and the focus on HE undermining the sustainability of FE provision at a local level.

Generally positive responses to the question included:

- Detailed experience of the process and impact of merger
- Experience in face-to-face delivery and student support

- The commitment of staff
- The scale of the UHI North, West and Hebrides merger and the diverse communities representing a microcosm of the wider UHI area
- Larger organisation to represent the college's communities on a regional basis
- Significant and diverse opportunities within the college's communities
- Particular strengths in professional services teams who have led change on the non-academic side of the institution
- Adaptability and willingness to collaborate across campuses

Generally negative responses to the question included:

- Based on the college merger, a process that should not be replicated
- The college should not be involved in such a large change due to staff experiencing such high levels of change fatigue and still bedding in new processes and structures
- UHI Transformation being a bad idea, for a variety of reasons
- Unsustainably high levels of staff stress and fatigue from the previous merger and post-merger transition

Question 12: Any other comments or suggestions you'd like to share about where the college should lead or influence change within UHI?

Like Question 11, this question produced a significant amount of feedback that does not lend itself to simple characterisation and grouping.

Several respondents raised discussion about why UHI was created and what the role of the partnership is in terms of educational mission and economic development. Several of these comments alluded specifically to the place-based role of the colleges

Subjects raised repeatedly are:

- Focus on why UHI was created and the primary vision / purpose
- Genuine consultation with staff working at all levels, particularly the 'frontline'
- Honesty and candour about the successes and failings of the merger to date
- Colleges leading local engagement and development of local provision
- Strategic communication about organisational development (e.g. merger or UHI Transformation) being more dynamic and reciprocal
- Operational communication being improved in all services and at all levels

Appendix 6

Employer and Industry Partner Survey

Employers and industry partners were invited to complete a short survey between 8th December and 19th December 2025. An invitation email from the Principal and Chief Executive accompanied the link, which contextualised the purpose of the survey and encouraged employers and industry partners to take part. The questions in the survey corresponded to themes explored in the Staff Survey and Focus Groups.

The employer and industry partner survey received 10 responses. Given the scale and geographic spread of the college's employer base, this represents a very low response rate, and the findings should be treated as indicative only rather than representative. The results are therefore best understood as providing insight into specific employer experiences rather than a comprehensive assessment across the region.

In summary, the employer and industry partner survey provides useful qualitative insight into the experiences of a small number of employers but is constrained by low participation and geographic imbalance. The feedback highlights concerns around local responsiveness, communication and capacity, alongside more positive views about future opportunity and strategic direction. The findings should be read alongside other stakeholder evidence and not as a standalone judgement on merger success.

The full responses are held by the college.

Question 1: Where is your business based?

Respondents were primarily located in North Highland (Easter Ross, Caithness and Sutherland), accounting for 60% (6 respondents). A further 20% (2 respondents) were based in the Outer Hebrides, 10% (1) in the West Highland, and 10% (1) reported covering more than one area.

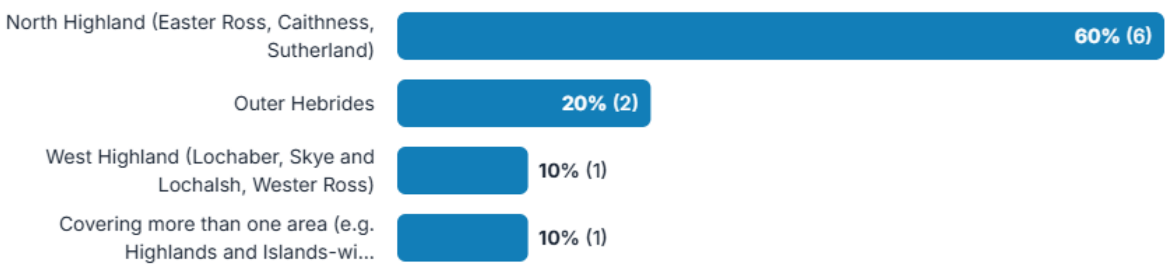

Figure 11: Employer and Industry Partner Survey Q1 Responses

This distribution does not reflect the full geographic footprint of the college and indicates a concentration of feedback from one part of the region, particularly

Caithness. As a result, findings should be interpreted with caution, especially where comments relate to local capacity, responsiveness or campus-level experience.

Question 2: In your view, how has the merger affected the college's ability to work effectively with employers and industry partners?

When asked how the merger had affected the college's ability to work effectively with employers and industry partners:

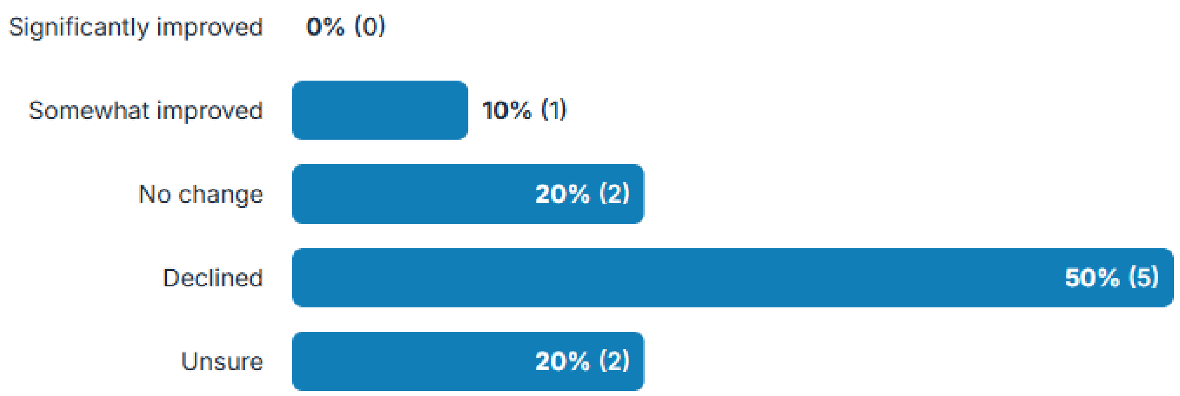

Figure 12: Employer and Industry Partner Survey Q2 Responses

Overall, responses suggest that among this small sample, perceptions of employer engagement post-merger are more negative than positive, with a significant proportion experiencing deterioration or uncertainty rather than improvement.

Question 3: Where do you think the college has made progress since merger? (select all that apply)

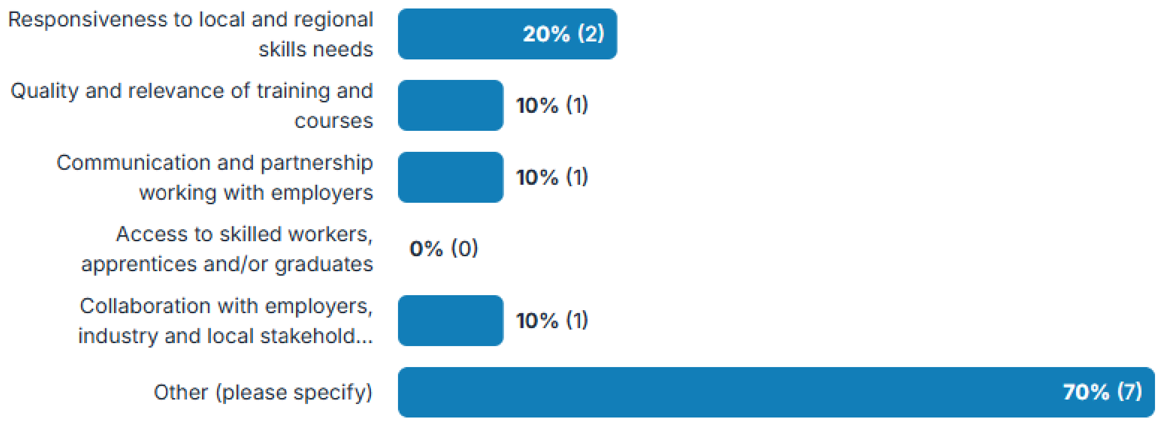

Figure 13: Employer and Industry Partner Survey Q3 Responses

Notably, 70% (7 respondents) selected 'Other', indicating that predefined categories did not align well with their perceptions of progress. This suggests limited visibility of clear, tangible improvements from an employer perspective, or difficulty in attributing positive change directly to the merger.

The free text responses to Question 4 were mixed but predominantly critical. Recurring themes included:

- A perception that local decision-making has become more fragmented
- Limited evidence of improvement from a Western Isles perspective
- Ongoing organisational change creating instability and reducing local autonomy
- Declining quality of communication and responsiveness
- Views that some campuses were performing well pre-merger and had seen limited benefit since

A small number of comments acknowledged potential benefits from wider networks or access to resources, but these were outweighed by concerns about loss of local focus and operational clarity.

Question 4: What aspects of employer engagement or workforce development remain most challenging or need further improvement?

Responses highlighted a range of challenges, including:

- Limited proactive engagement and follow-up from the college
- Capacity constraints within local teams
- Difficulties aligning provision with rapidly changing industry needs
- Concerns about the balance between practical skills, qualifications and delivery modes
- Frustration with slow processes, planning and communication
- Specific challenges around flexible provision, such as night classes

Several respondents acknowledged broader sector pressures, noting that colleges may struggle to respond at pace without additional funding or capacity.

Question 5: Looking ahead, what areas offer the greatest opportunity for the college, employers and industry to work together?

Despite concerns, respondents identified several areas of opportunity, including:

- Apprenticeships and engineering provision
- Net zero and regional investment programmes (e.g. Growth Deals)
- Workforce development linked to population retention and community wellbeing
- Stronger coordination across UHI and clearer employer-facing structures
- The value of single points of contact for employers operating across multiple areas

Some respondents noted that employer engagement was already working well locally in certain areas, suggesting that future progress may depend on consolidating and scaling effective local practice rather than introducing further structural change.

Question 6: Overall, how confident are you that UHI North, West and Hebrides is well positioned to meet future employer and industry needs?

Views on future positioning were more balanced than assessments of past performance, with 70% of respondents expressing a degree of confidence:

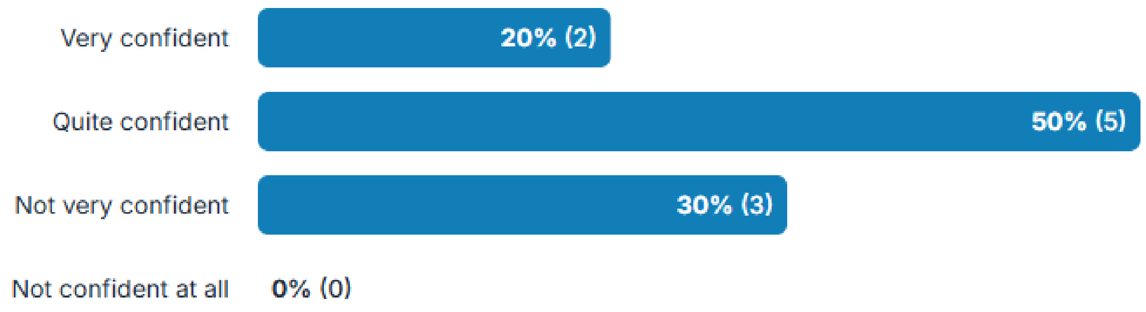

Figure 14: Employer and Industry Partner Survey Q6 Responses

This suggests a degree of cautious optimism about the college's future role, even among those who expressed concerns about current engagement or merger impacts.

Question 7: Is there any other relevant feedback you would like to share with the college for consideration related to your industry?

Additional free-text comments reiterated earlier themes, including:

- Loss of local identity or clarity over points of contact
- Slow response times due to overloaded roles
- Concerns about the pace of technological change and future skills needs
- Recognition of wider challenges facing the FE and HE sectors

Some respondents expressed continued goodwill toward the college locally, while questioning whether the merger had materially improved employer engagement outcomes.

Appendix 7

Focus Group Analysis

A total of 17 Focus Groups were held:

Table 12: Focus Group Schedule

Date	Focus Group Name	Number of Attendees
Monday 17th November 2025	West Local Advisory Committee	6
	Outer Hebrides Local Advisory Committee	3
	HISA Depute Presidents	2
Tuesday 18th November 2025	Board of Management	7
	Mixed Academic Staff	5
	Mixed Professional Services Staff	5
	Legacy UHI North Highland Staff	3
Wednesday 19th November 2025	Legacy UHI Outer Hebrides Staff	4
	Legacy UHI West Highland Staff	2
	Middle Managers and Leads	5
	Senior Management Team	3
Thursday 20th November 2025	UHI Partnership Staff	5
	North Local Advisory Committee	6
	Trade Union Representatives and Staff Ambassadors	10
	HISA Staff	4
Friday 21st November 2025	Executive Leadership Team	3
Monday 24th November 2025	Board of Management Chair and Principal & Chief Executive	2
	Total Focus Group Participants	**75**

Volunteers were sought for Focus Groups via correspondence with staff and stakeholders, and they were held via Microsoft Teams. A briefing note outlining the purpose of the Year 2 Merger Evaluation Report and the role of the Focus Groups was circulated ahead of the meeting, along with a Privacy Notice.

The Focus Groups were confidentially minuted by a member of UHI North, West and Hebrides staff, and responses have not been attributed to individuals. A format was developed for the Focus Groups, focussed broadly on successes, challenges, opportunities and UHI Transformation, but there was not a set script of questions. This was to ensure participants had an opportunity to direct the discussion to areas of interest within the Focus Group.

The full notes collected in the Focus Groups are held by the college.

Academic Staff Focus Groups

Successes

Academic staff across legacy and mixed groups saw some genuine benefits, although these were frequently caveated in some way. There were isolated examples of additional training, new processes and improved IT support (ticketing, equipment access) which have made parts of academic work easier.

As a result of being in a larger, more diverse college staff described feeling less isolated professionally, with more colleagues to share practice, resources and Brightspace materials across the merged institution.

There is recognition as a result of curriculum consolidation more learners in rural areas can now access provision, particularly through shared delivery and digital options, even if face-to-face is still preferred by many students at particular levels or with specific needs.

Some legacy West and Outer Hebrides staff noted that certain campuses and curriculum areas continue to offer consistent face-to-face teaching and strong community recognition, even if broader merger benefits feel limited. An example was the Stornoway Technology and Innovation Centre, though many participants felt that the campus in general felt quieter overall.

Challenges

Most feedback was consistently and strongly critical. There was most ire about the new curriculum structure, which is almost without exception seen to be not working. Many see this as a major factor in stress, uneven workloads and declining quality.

Groups reported heavier workloads, non-replacement of staff, limited time for research, lack of investment or support for CPD (e.g. TQFE), and blocked career progression routes due to the removal or the course leader and PL1 roles.

Groups described late recruitment and admissions backlogs, difficulties ordering equipment, and misaligned processes that resulted in course cancellations or reduced numbers, undermining student experience and centre reputation.

Staff were concerned about loss of local identity and community links, with some participants speaking about the reduced visibility of senior staff on campus, weaker relationships with local employers, and a perception that curricula are less locally contextualised.

There were significant concerns about wellbeing, morale, trust and culture, with anger and frustration about communication, the handling of role changes, perceived lack of respect, and a sense of being driven by finance rather than education.

Opportunities

Academic groups saw clear opportunities, mostly linked to structure and localism. There was huge appetite to Rebuild curriculum leadership and progression, with the reintroduction or reshaping of PL1 / course leader-type roles to support day-to-day curriculum management, create progression, and balance workloads more fairly across and within subject areas.

Participants wanted to refocus on educational mission over corporate narrative, using this moment to focus strategy and operations on student experience and educational quality, rather than leading solely with financial targets. This seemed particularly important to some staff in the context of the UHI Transformation.

Groups emphasised the importance of retaining and improving local contextualisation of courses (e.g. construction and renewables links, local industry engagement), to ensure that a place-based approach is at the heart of the college's offer.

The groups sought more transparent decision making, genuine consultation, recognition (or ideally, remission) for work now done on their own time e.g. course and resource development. More face-to-face engagement between managers and teaching staff was sought on and between campuses. Staff reported feeling more professionally connected in some aspects, but they felt the loss of previous in-person interactions.

UHI Transformation

Academic staff sentiment towards UHI Transformation is predominantly anxious and sceptical. On a personal and professional basis, this is driven by very low appetite for another major change. Many academics stated they would rather leave than go through another merger process, describing the current one as very negative and unresolved.

On a strategic level, academic staff were fearful of centralisation and erosion of FE/local provision. It is perceived that UHI Transformation will continue the current trend of HE prioritisation and centralisation at the expense of access courses, FE and community delivery by staff with local knowledge and connections.

There are widespread concerns amongst academic staff that the current UHI Transformation process means all the perceived mistakes of the merger will be repeated. Academic staff cited a lack of meaningful consultation, reliance on PowerPoint presentations and a focus on the bottom line as evidence that lessons from the UHI North, West and Hebrodes merger are not being fully taken on board in the Transformation process.

Professional Services Staff Focus Groups

Successes

In comparison to academic staff, professional services generally saw more tangible benefits to date. Successes were identified in the unification of systems and some processes, including the merging of three finance departments to meet the needs of the larger college. This aligns with Staff Survey feedback which also identified a dedicated systems for HR and Health and Safety being beneficial.

Strengthened IT and estates functions received positive feedback, including the appointment of a dedicated IT manager with significant experience to lead a larger team. Better visibility of estates issues was also cited as positive outcomes for day-to-day operations and student experience, although this was not universal across groups.

Some staff noted that while the merger had been difficult, it had required staff to broaden and enhance their skillsets to meet the challenges of the merger itself and the operational requirements of the larger college.

Challenges

Professional services described resource gaps and single points of failure, with voluntary severance and staff turnover resulting higher workloads, and the concentration of critical knowledge in single individuals. This is a particular concern as single points of failure were a key issue to be addressed by the merger.

In common with many other groups, staff highlighted confusion over who does what both from a functional and oversight perspective, and noted that processes experience frequent delays because tasks cannot progress when the 'right' person is unavailable.

Professional services staff described onerous new procurement requirements, which was perceived to lead to slower and more expensive outcomes that often disadvantaged local suppliers and damaged the college's standing in the community. Conversely, other staff noted that the college must follow regulations and ensure good value is sought for public money, but the college's artificially large scale and geography is in tension with procurement requirements.

Recruitment and retention challenges were noted due to financial uncertainty and perceptions of instability, with some citing colleagues leaving or not applying to roles because of merger/Transformation fears.

Opportunities

Professional services staff identified practical, implementable changes, which would be initiated by clarifying structure, roles, responsibilities and processes. The requirement to rebuild capacity was noted, which would support upskilling and reduce risk from over-reliance on individuals.

Professional services teams want faster, more two-way communication so they can understand decisions, escalate issues and adapt processes more quickly. Like their academic colleagues, decisions were perceived to be made at the highest levels of the structure too often, reducing the dynamism of the organisation.

UHI Transformation

Professional services staff raised many of the same concerns as their academic colleagues. Staff reported significant change fatigue, with the word 'merger' itself was described as triggering fear, due unresolved issues and worry about capacity to cope with further ambiguity. Teams stressed they have limited capacity even to maintain current operations, let alone contribute to UHI Transformation projects, given resource constraints and ongoing pressure.

From their merger experience, more professional services staff understand the corporate and operational benefits of back office alignment and scaling up to a single UHI model, but they emphasised that planning, resourcing and systems would need to be far more robust than they were for the North, West and Hebrides merger.

Management Focus Groups

Successes

Managers recognised more strategic-level gains but remained conscious of the gaps from the merger process. Progress around the single college structure was noted, with relief expressed that compulsory redundancies had been avoided despite the financial climate.

Strengthening and enhancement in some teams was observed, with teams that played a key role in the merger facilitation been singled out e.g. Marketing and Communications, IT. This has built strong internal networks, enhanced skills and lent itself well to cross-partnership working within the UHI partnership.

Senior managers acknowledged that while many ambitions are not yet realised, there is at least a common corporate framework and shared direction that did not exist across three separate colleges, who would experience increasingly challenging finances. Given the dedication of staff and economic development within the college's area, there are likely to be opportunities manifest for the college to leverage.

Challenges

Managers reported a variety of complex challenges. Many acknowledged that at the current time they were frequently tied up with operational firefighting, leaving little capacity for strategic work, which in turn impacts teams and survey results. Some managers felt like some of the operational/strategic balance was negatively affected by the organisational structure.

Managers acknowledged that lingering tensions between legacy colleges, campuses and cultures, and expressed frustration that the Phase 3 funding agreed with SFC to proactively address these challenges had never materialised. Based on feedback from other groups, challenges remain in blending different campus cultures, expectations and historical practices, with some legacy groups feeling 'absorbed' by others and carrying more transition workload.

Communication with and between staff of different levels at a strategic and operational level was acknowledged as challenging despite the best efforts of staff. Trying to strike the right balance in a newly merged organisation is difficult; some managers some linked this directly to trust issues in the college and poor stress survey results.

Opportunities

Reviewing and refining the organisational structure, particularly on the curriculum side, is a key opportunity. This will create an opportunity to address bottlenecks, rebalance levels, and align design more closely with available resource and merger aims.

Middle managers particularly see scope to empower learning centres and engagement teams, improve information flow between curriculum and engagement, and better recognise the value of local, community-facing work.

ELT see the investment that has gone into the Merger Evaluation Report and Investors in People work as a platform for action and engagement – the opportunity and challenge is now to move quickly from analysis to visible, credible action that staff buy into.

UHI Transformation

ELT and senior managers acknowledged that the timing of UHI Transformation (coming on the back of merger) has been particularly difficult for college staff, and that the emotional and workload impacts are significant. Due to the length of time since a merger of this type, some managers felt that the impact of mergers has been forgotten in the sector and not the impact of this merger is not unusual compared with others.

In alignment with other staff, managers at different levels expressed doubt that UHI Executive Office fully grasps FE realities, practical delivery, and the complexity of running 19 centres that are perceived as being a genuine asset to local communities. In the context of UHI Transformation and the UHI North, West and Hebrides merger being a microcosm of larger change, there were stark warnings that this could lead to unworkable models not supported by staff that undermine what makes UHI unique as an educational institution.

Managers saw a potential strategic role for in the college to shape the Transformation agenda. There was agreement that UHI North, West and Hebrides' merger provide valuable lessons (both positive and negative) that should inform Transformation, particularly around consultation, planning detail, and adequate resourcing. However, there is scepticism, particularly amongst senior and middle managers, about whether these lessons will be fully taken on board.

Trade Union and Staff Ambassador Focus Group

Successes

Despite highly challenging experiences, the group identified several areas where the merger has produced some positive impacts. The most mentioned positive was being part of a larger organisation with colleagues of different experiences, creating opportunities for peer support and stronger cross-campus relationships than before.

Related to this, the group described enhanced collaboration and curriculum development, with stronger collaboration across campuses, wider curriculum options enabling innovation, and greater ability to reach viable student numbers for courses.

Some participants observed professional growth in their teams, either from a broadening of skills and experience in departments or borne out of a necessity to learn new skills that would support the merger process.

A minority of participants believed that the college is in a stronger financial position post-merger, giving a degree of reassurance.

Challenges

The overwhelming sentiment from the group was that the merger process caused severe and lasting harm to staff wellbeing, trust and the student experience. Challenges were deep, consistent and strongly expressed.

The group felt there repeated and serious failures related to consultation and communications. Pre and post-merger consultation was described as not meaningful or genuine, and more information sharing than listening. Many described a pattern of concerns being raised but not being responded to.

Staff wellbeing, stress and mental health was a major challenge, the group describing the pre and post-merger process variously as highly stressful, emotionally damaging and having a significant personal toll on staff. The group referenced the HSE stress survey results, a collapse in goodwill amongst many staff, and repeatedly used the term 'depressed' about themselves and colleagues.

The factors above have, according to the group, led to a breakdown in trust with leadership and HR. The Staff Ambassador programme was seen to be initially positive but not fully followed through on. Industrial relations were seen to be poor, and the view expressed by the group was this would be a significant factor in UHI Transformation.

There were numerous curriculum-based concerns, with all participants from the curriculum side observing that the new structure doesn't work and the removal of key academic roles such as PL1s was a serious misjudgement. Changes were perceived as rushed, opaque and lacking proper planning. Staff felt student experience has declined, citing rapid shift to online delivery (often against student wishes), reduced face-to-face teaching harming support for school-leaver and rural learners, unrealistic condensed timetables (e.g., four-hour evening blocks) and late decisions on courses, oversubscribed classes, and insufficient staffing. Issues with admissions exacerbating these issues were also noted.

Fears about the impact of the merger and future changes on local community and delivery were also raised repeatedly, with the group describing a loss of understanding of the role of learning centres and a diminishment of the place-based approach that characterised the legacy colleges and their places in communities.

Opportunities

Participants noted the work being done on the back of the stress survey, and hoped it resulted in real change. However, this was tinged by scepticism, with several participants noting that positive schemes like the Staff Ambassador programme have fizzled out without meaningful action previously. Several members of the group said that the outcomes of the HSE survey had been passed on anecdotally well in advance of the survey taking place.

There was a real desire to rebuild honest, two-way communication, which could be restored via transparent consultation, genuine listening to staff voice and clear, timely information about changes.

From a curriculum perspective, the group emphasised that the current structure is not working and urged reconsideration within the available funding. Re-establishing structured roles (e.g., PL1), clearer progression pathways and protected development time would strengthen professional culture.

Several opportunities were identified in curriculum delivery, including restoring appropriate levels of face-to-face teaching, tailoring delivery to rural and island communities, and improving timetabling and decision-making around course starts. The group noted there is extensive pedagogical research, underpinned by evidence of successful local delivery, that could be utilised by the college. Contributors also noted that during COVID-19 competitors moved into online delivery, whereas UHI has remained largely static and not made significant investment in its own offer.

UHI Transformation

The group expressed profound concern about UHI Transformation. The group questioned the main emphasis of the Outline Business Case as being driven by financial pressure rather than educational benefits, and there is a very limited understanding of FE delivery and its importance to rural and island communities within UHI Executive Office. In common with the staff survey, there were repeated concerns about centralisation.

Repeated concerns were expressed that UHI Transformation was ill-advisedly using the college merger process as a successful blueprint. Participants called for merger lessons learned to be taken seriously and address the perceived inadequacies around UHI Transformation consultation to date, which was seen to be not genuine, presentation-based and lacking in any detail about how it would change the roles of staff involved in student-facing roles.

From a staff perspective, there was a strong consensus that staff are not ready for further change with the college is still stabilising after merger, and morale is too low to absorb another large-scale reform. Several participants described disengaging from staff forums because they felt powerless to positively influence the process.

Local Advisory Committee (LAC) Focus Groups

Successes

The Focus Groups emphasised the importance of survival and stability, with several participants expressing relief that there was still a local presence despite the financial challenges in the sector, legacy colleges and merged college.

Some Focus Group participants noted that there is now broader curriculum access and an expanded offer post-merger, with improved cross-campus collaboration and better utilisation of staff resources.

The West LAC Focus Group praised the continued local community visibility and engagement, citing use of college facilities during the Royal National Mòd, and strong presence at employer-facing activities and school engagement.

Across all Focus Groups there was a strong shared view that LACs have an essential ongoing role in maintaining local insight and community relationships. They are a key route for expressing local priorities where the new Board is perceived as more remote.

Challenges

All three Focus Groups described the impact of the merger on staff, noting there was high levels of stress being reported anecdotally and evidenced by the HSE survey and the Investors in People work.

All three Focus Groups expressed concerns about loss of local identity, visibility and leadership. There was a common sentiment that the merger had diluted local-level leadership, and the removal of locally based senior roles has reduced responsiveness, slowed decision-making, and damaged community engagement.

Despite the success of a broader and more accessible curriculum, all groups had misgivings about a shift to online delivery. They noted that online delivery doesn't work well for some learner groups, is perceived to have led to quieter and disengaged campuses and doesn't enhance soft skills that are required for personal development, advancement through SCQF levels and that employers value strongly.

The Outer Hebrides and North LAC Focus Groups in particular had concerns about the governance around the LACs, feeling that their Terms of Reference could be enhanced and their ability to influence decision-making could be strengthened through early sight of board papers and the ability to shape agendas literally and figuratively.

The West LAC expressed disappointment that the long-mooted STEM Centre has still not been delivered, feeling that it leads to a drain to Inverness or the central belt.

Opportunities

All Focus Groups believed there were significant opportunities to strengthen place-based provision and labour market alignment, acknowledging sone success in these areas but seeking investment to go further and attract more students. This included a wish for stronger positioning and development of niche provision with local employers, and leveraging the greater scale of the merged institution in forging partnerships.

The North and Outer Hebrides LAC Focus Groups believed that there was a greater role that could be played by LACs. They acknowledged that the change in the scale of the college meant the new Board had to act in a different way to before but expressed an ambition for greater/different powers to support staff and enhance engagement.

UHI Transformation

All groups noted concerns about staff stress, fatigue and apprehension about further change. There was a strong perception that transformation is a centralising cost-cutting exercise rather than educational enhancement, and acute concerns about deprioritisation of local FE provision. Some individuals reported that based on conversations with local staff many could not withstand another large change after a difficult merger.

All groups called for deep and honest reflection on merger lessons and consideration of what worked well and what did not to ensure errors are not repeated.

The Outer Hebrides and North LAC Focus Groups called for mechanisms to ensure local voice shapes UHI Transformation, with specific enhancement around consideration of island and remote rural communities. The West LAC Focus Group highlighted the need to protect what has worked well since merger, retaining local decision-making and practical delivery whilst increasing confidence in the partnership's role in delivering on regional economic potential.

Board of Management Focus Groups

Successes

Participants stressed that the outlook for the legacy colleges without merger had been very poor and they were not sustainable on their own. The merger meant that the college 'is still here', and curriculum consolidation meant that learners in some areas now have greater access through digital delivery. However, one participant noted that UHI Argyll, who had been involved in the early discussions around merger, had opted out and survived despite the financial challenges.

Participants noted aspects of organisational maturity, highlighting successful curriculum unification, and greater influence within the UHI partnership compared with its legacy institutions.

Challenges

The group expressed significant regret about the support the college received at the latter stages of the merger, particularly the Phase 3 cultural and organisational change funding. The group noted that the college did not receive funding on anywhere approaching the same scale as the central belt merger of the 2010s, and the lack of a dedicated change resource left college management stretched to undertake both operational delivery and merger tasks simultaneously.

Participants acknowledged significant strain on staff morale and organisational cohesion, noting the loss of talented and experienced staff, insufficient appreciation early on of the morale impacts, cultural disconnect between the legacy college, and staff perception that the process was rushed and communication incomplete or unclear. This, in turn, has led to delays in structure and operational changes bedding in.

Some participants believed that long-standing issues in the UHI governance and funding model has inhibited the college's ability to thrive in its first years, describing the college's lack of direct access to the SFC, limited confidence in the effectiveness of UHI's communication with government and frustration that UHI does not have up-to-date strategies or plans in key areas e.g. estates and people. Several members expressed concern that UHI is perceived more as a 'problem to solve' than a regional investment or delivery partner.

Opportunities

The group expressed a desire to double down on development of strong external relationships, identifying opportunities to leverage political networks, deepen partnerships with employers, reinforce regional confidence in the college and position the college as a key component of the regional skills system.

Participants sought continued development of a distributed hybrid model for the college, which combined digital access with locally delivered provision. The group sought this as a distinctive characteristic of the college, with the ability to enhance outcomes for rural and island communities.

The group noted the requirement to strengthen internal communications, rebuild trust and develop a college culture. Comments associated with this topic included the need for more consistent two-way communication with staff, opportunities to improve organisational clarity and reduce bottlenecks, and developing a more distributed, collaborative leadership culture characterised by presence and authority.

The group saw clear opportunities for UHI North, West and Hebrides to positively influence UHI Transformation and partnership change by advising UHI Executive Office on merger learning, helping shape the approach and avoid repeating mistakes, pushing for realistic timescales and better change design at partnership level.

UHI Transformation

Group members expressed strong concerns that lessons from the UHI North, West and Hebrides merger are not being fully recognised in UHI Transformation. Members stressed that transformation must be realistic in timescales and utilise stepping stone phases where possible to avoid major disruption. The earlier concern about the Phase 3 funding for cultural integration is also relevant here, as more organisations means more diversity and a higher requirement for genuine change management resource and processes.

Centralisation and centralised decision making was a repeated concern in the context of UHI Transformation. The hope was expressed that the process is genuinely mission-driven rather than being exclusively financial, noting that decisions made in the short term that are too heavily influenced by the current sectoral funding crisis risks local provision and engagement.

Chair and Principal Focus Group

This Focus Group differed somewhat from the other Focus Groups. The appointed consultant reviewed feedback from the Staff Survey and Focus Groups, followed by a discussion. Therefore, the headings below do not necessarily reflect the views of the Chair and Principal, and are instead a summary of the discussion.

Successes

Since merger, the college has widened curriculum access, particularly for rural communities, and strengthened core functions such as IT, communications and marketing. These improvements have helped create a more cohesive organisation with a clearer external profile.

Despite significant disruption, student experience has remained stable or improved, which is seen as a major achievement. Early-forming cross-regional teams demonstrate where integration has worked well in practice.

Financially, the merger has been essential for organisational viability. Projects such as the Island Growth Deal work in Stornoway show the college's ability to deliver complex developments effectively.

Challenges

Early implementation was under-resourced, creating prolonged uncertainty alongside the industrial dispute. Curriculum structures have not yet delivered as intended, and removal of PL1 roles has affected staff morale and progression.

Staff wellbeing, trust and communication remain concerns. High turnover, ongoing recruitment gaps and unclear messaging have contributed to fatigue, fragmentation and operational firefighting.

Organisational identity remains unsettled. Many staff perceive senior management structures as top-heavy, and the shift to online delivery has created uneven experiences for staff and students.

Opportunities

HSE and IIP work provide a platform to reset culture, rebuild trust and strengthen leadership clarity. A refreshed, place-based vision could reconnect staff and stakeholders to shared priorities, and support a new version of the previous geographic communities of practice new emerge within the college.

Visible early successes could significantly improve morale. Strategic opportunities such as hydrogen, STEM and campus development offer potential flagship initiatives for the college's future identity.

Curriculum restructuring offers a chance to articulate regional strengths and build more coherent delivery models, while revitalising local identity and belonging within a large organisation.

UHI Transformation

Staff apprehension is high, with concerns about centralisation, representation of place-based further education, capacity for further change and the scale of planning required. Many feel the merger has not yet fully bedded in.

Communication around transformation has lacked clarity, contributing to fatigue and uncertainty. Staff want to understand the rationale, timing and personal impact of upcoming changes.

Transformation also presents an opportunity. UHI North, West and Hebrides is further ahead than other partners and could help shape system direction if its experience is recognised, supported by clearer strategic messaging and stronger engagement.

HISA Staff and Depute President Focus Groups

Successes

Both HISA Staff and Depute Presidents Focus Groups noted that frontline teaching and professional services staff are passionate, dedicated and supportive of students.

Both groups acknowledged advantages (some of which has yet to be realised) of merger, noting that as a general principle fewer academic partners made certain things easier, and there were potential policy, process and system efficiencies.

Some comments were made that there seemed to be minimal negative impact on certain students as a result of the merger, possibly due to their courses, study location or the efforts of staff to mitigate disruption. Conversely, the participants noted minimal positive impacts for most students.

Challenges

Both groups expressed concerns about loss of clarity, relationships and local identity. The participants described a lack of clarity about who is responsible and accountable for what, and loss of what made campuses individual.

The Depute Presidents commented on reduced visibility of local teams, high staff turnover and loss of key contacts, which has undermined established relationships important for student support in key areas like funding and counselling.

Concerns were expressed by both groups about the risk associated with increased online delivery, which is seen to be proliferating. Some students are reportedly caught unawares by the delivery mode of a course being predominantly/entirely online until after enrolment. Students with mental health issues, additional needs or lower confidence are perceived to being particularly disadvantaged. Alongside this, there is a sense that campuses are becoming quieter and the in-person experience diminished.

Depute Presidents noted increased bureaucracy negatively affecting day-to-day operations, with some staff buying materials for learning privately due to procurement hurdles, some estates issues on campuses taking longer to be addressed, and a push towards utilisation of systems like Student Hub not being appropriately signposted.

Opportunities

Both groups seemed confident that many of the local issues could be addressed with clarity around roles, responsibilities and communication, largely driven by the dedication of campus staff.

The Depute Presidents Group was eager to support rebuilding vibrant, place-based student experiences to restore a sense of college identity and community belonging but noted the initial enabler to this was more campus-based delivery.

UHI Transformation

Both groups expressed strong misgivings about UHI Transformation being driven by financial pressures rather than focussing on the educational approach and identity that makes UHI partners special. There was scepticism that lessons learned from previous mergers (elsewhere in the sector, UHI Shetland and UHI North, West and Hebrides) are being used in UHI Transformation, and there was fear reported that the process may repeat past mistakes, only at a larger scale.

Both groups called for genuine engagement and a clearer rationale that will engage students and staff. The participants believed that while there was an understanding of the financial situation and some change was required, a genuine transformation needs to shaped and supported by staff in student-facing roles, particularly academic staff.

The HISA staff in particular believed that basic service consistency, team functioning, policies and processes were required enablers of Transformation, not an outcome.

UHI Partnership Focus Group

Successes

The group highlighted strengthened connections across teams that previously worked separately across three partners, and enhanced interaction with the broader partnership as a result. Particular successes were noted in IT, which is crucial to successful dispersed delivery. The branding and marketing capacity in the merged college was also praised, with genuine commitment to the visual identity developed for the college and the alignment with the UHI partnership.

There was growing confidence in the merged college's influence in the UHI partnership, with participants observing that the college as a single larger partner has a stronger voice, contributes more visibly to regional priorities, and acts in a leadership role in some areas, with the work around consolidation of the energy curriculum, research and KE singled out for praise.

Challenges

The group expressed concern about the loss of staff, expertise and clarity in roles. These issues were noted to be potentially short-term, but are currently impactful, for example significant loss of experienced staff, particularly in libraries, subject networks and research, and challenges identifying the right points of contact.

The merged college's significant but artificially selected scale and reach was noted as a challenge, for example the extreme complexity of course pages with multiple modes, 19 locations, and varied start dates. This was identified as an area to take note of for UHI Transformation to ensure there is adequate resourcing and realistic timescales.

Cultural and identity challenges were noted by the group, with particular concern about the impact on smaller island communities. Diversity is both a strength and a challenge, and there are different expectations from legacy partners, campuses and communities. Lack of leadership roles in some smaller rural communities may be an ongoing challenge, particularly in the context of concerns about Inverness centralisation expressed in other groups and the staff survey.

Opportunities

Participants saw UHI North, West and Hebrides as a learning model for partnership-wide change. The group felt that UHI Executive Office can draw lessons from the merger experience, including the importance of listening to frontline staff and building plans bottom-up, ensuring detailed planning and resourcing for operational change, and adequate planning and resourcing for major back-end system and process change.

The group saw opportunities for changes seen in the merger to provide an indication of how roles may develop in the future, and how professional development could be prioritised. The rapid evolution of roles creates opportunities to redesign roles that enable progression, support skills growth and modernise support functions at partnership level.

UHI North, West and Hebrides' huge geographic remit and diversity of communities was seen as a microcosm of the whole partnership area, and opportunities for piloting new approaches. Work underway in the Nordic countries utilising study hubs was referenced as a way of delivering skills, managing estates and embedding face-to-face learning as a core element of courses.

UHI Transformation

The group noted that early meaningful engagement with staff and stakeholders is essential, with a significant risk that otherwise Transformation will feel like something being done to people rather than done with them. Involving frontline teams earlier to avoid disconnects that can lead to issues around buy-in, but also poor strategic understanding of the real implications of change in terms of timescale and cost.

Participants felt that the UHI North, West and Hebrides merger offers a detailed insight into many of the challenges UHI Transformation will face. Learning from the merger could prevent avoidable disruption in other academic partners and offers highly relevant insight around the perceived centralisation away from island and rural communities. Any UHI-wide transformation must find meaningful ways to respect local autonomy and identity, including continual engagement with major stakeholders. The UHI Shetland merger was also raised and should not be overlooked in terms of significance and learning, particularly in an island context.

Appendix 8

Interviews

Appendix 9

Concerns Around Pedagogical Approach

Purpose and Scope

This appendix provides a brief summary of selected evidence relating to contact time, online delivery, and class size, to contextualise pedagogical concerns raised by academic staff during the Staff Survey and Focus Groups.

This evidence should be read as indicative and contextual. It does not seek to present a comprehensive literature review, nor does it constitute a conclusive position on pedagogical effectiveness. Rather, it is intended to show a brief sample from a body of research broadly consistent with the issues identified.

Historically, UHI has been regarded as a sector leader in distance and distributed learning. Staff raised concerns that in some current delivery contexts, combinations of contact time, delivery mode, class size and learner profile may be working against elements of established good practice identified in the research literature, and undermining UHI's sectoral position in distance and distributed learning.

Contact Time and Notional Learning Hours

SQA and Education Scotland guidance indicates a notional 160 hours of learning for completion of a full National 5 English course, equivalent to approximately 192 fifty-minute lessons. Delivered over a standard 38-week school year, this equates to around 4 to 4.5 hours of taught learning per week, typically achieved through near-daily timetabled contact supplemented by structured independent study and prior learning.[63]

In contrast, staff raised concerns that UHI North, West and Hebrides evening class provision typically involves significantly lower levels of direct contact time, often around two to three hours per week, frequently delivered as compressed evening sessions and, in some cases, primarily online. Staff noted that for many FE learners, including young people who have previously disengaged from school-based learning and adults returning to education after a lengthy period, this model implicitly assumes a level of independent study that may be unrealistic. It was reported that this mismatch between recommended notional learning hours and available contact time was raised at the point of proposal, with staff highlighting that it represents a qualitative and quantitative constraint rather than individual practitioner perspective.

---

[63] SQA (2025) *National 5 English Course Specification*, p.160. Available online: link.

Evidence relating to online delivery and learner engagement

A number of studies highlight challenges associated with online delivery, particularly for subjects requiring sustained interaction and formative feedback.

Martinez-Martin and Costa (2021), examining the transition to online learning during COVID-19, found that subjects reliant on interactive teaching dynamics experienced significant disruption, with reduced opportunities for questioning and real-time engagement.[64]

Ganesh et al. (2015) found that students consistently rate face-to-face classes more favourably than online classes across multiple dimensions, even where content is comparable.[65] Gazit and Eden (2025) noted that learner success in online learning environments can often be dictated by student personality traits, showing that a one size fits all approach is unlikely to be successful across the board, and flexibility based on learner needs is required.[66]

These findings are relevant to FE evening provision where learners may already face confidence, skills or engagement barriers, and where reduced contact time limits opportunities for intervention and support.

Class size considerations in online learning

Concerns were also raised regarding online class size, with staff reporting that some evening and online classes enrol 40 or more students. Research suggests this is significantly above optimal levels for effective online teaching. Arzt (2011) found that online undergraduate classes function most effectively with enrolments between approximately 15 and 22 students, with smaller numbers recommended where instructors are new to online delivery.[67] Tomei (2006) similarly concluded that effective online teaching typically requires smaller class sizes than traditional face-to-face provision, cautioning against using online delivery as a mechanism to increase class sizes or reduce staffing intensity.[68]

---

[64] E. Martinez-Martin, A. Costa (2021) From In-Person to Online Lessons: A Study. *INTED2021 Proceedings*, pp.1804-1809. Available online: link.
[65] Ganesh, G., Paswan, A., & Sun, Q. (2015). Are Face-to-Face Classes More Effective Than Online Classes? An Empirical Examination. *Marketing Education Review*, *25*(2), pp.67–81. Available online: link.
[66] Gazit, T., & Eden, S. (2025). Students engagement in a forced distance learning: the relation to personality characteristics. *Educational Media International*, *62*(1), pp.77–100. Available online: link.
[67] Arzt, J. (2011) *Online Courses and Optimal Class Size: A Complex Formula*. Available online: link.
[68] Tomei, L., 2006. The impact of online teaching on faculty load: Computing the ideal class size for online courses. *Journal of Technology and Teacher Education*, *14*(3), pp.531-541.

Appendix 10

Pre-Merger Risks and Mitigation

Table 13: Risks and Issues - Impact on individual challenges vs mitigation as a merged organisation[69]

Risk / Issue	Impact on Individual Colleges / Region	Mitigation as a Merged College	Year 2 Analysis
Financial landscape: continued pressures on public funding, flat line budgets, further inflationary rises in costs and state of the wider global economy lead to reduced real term budgets across the three colleges, two of which (UHI North Highland and UHI Outer Hebrides) are currently operating with a deficit.	Individual colleges embark on isolated, unfunded cost saving initiatives, leading to reduction in services provided to the region and staff Reductions in capacity leave little/no headroom for activities that would increase income, opening the door for other universities and training providers to up-skill the region Increased pressure on staff to do more with less leads to decreased staff wellbeing, decreased job satisfaction and loss of staff	Merging will allow identification of collective cost savings through rationalisation and efficient use of systems, processes, and a reduced number of executive and Board roles Teams will have increased capacity with activities undertaken once instead of three times, enabling a joined-up approach, increasing resilience Through restructuring a larger staff base, individual roles can be dedicated, rationalised and focused instead of individuals taking on multiple 'part' roles	To date the merger has facilitated rationalisation of systems. Some of these changes will have resulted in minor financial savings, which needs to be offset against increased scale of contracts. Other system rationalisation has facilitated alignment with UHI and sectoral best practice e.g. new SITS database. Activities undertaken once in merged college of scale, some time benefits will be offset against greater volume of activities/transactions required. Staff base has been restructured, as of 03/11/25 there are X fewer FTE / X fewer headcount. This provides more opportunity for dedicated resource against specific activities, offset against the overall resource

[69] UHI North Highland, UHI Outer Hebrides and UHI West Highland (2022). *Rural and Islands College Merger Proposal and Business Case,* pp.6-7. Available online: Link.

			reduction but mitigated by the restructure and improved efficiency of single systems and processes.
Declining youth population: continued migration of under 25s out of the region	Inability to meet credit targets at further and higher education Reduced income Reduced curriculum offerings and reduction in staffing	Pooled talent and resources provide an opportunity to deliver a combined learning offer across all three colleges, diversify (and rationalise) the curriculum, and build in key areas including lifelong learning. This will create a more resilient offer, with potential to reach wider audiences than the colleges currently attract as individual organisations. Ability to coordinate curriculum across the region effectively, removing duplication and unviable numbers. Releasing staff time to focus on curriculum development in new areas To become an education provider of choice for the whole region by becoming an anchor institution of scale and impact within UHI. To grow and develop a clear and joined up, marketing offer, which is closely aligned to the skill needs of our region, our blue and green economies, and a diverse and strong research-led curriculum that benefits our communities	UHI North, West and Hebrides alone cannot offset out-migration of young people, a challenge that has dogged the region for a significant period of time. Notwithstanding, the larger college offers learners in more rural locations access to a greater diversity of learning opportunities, allowing improved ability to remain in place. Reduction from three organisations to one with local staff helps support regional coherence of approach to key stakeholders and eliminates competition in geographic and curricular cross-over areas. In time, embeddedness of UHI NWH will allow better leveraging of key economic development opportunities and HE/research specialisation through mobilisation of resource at scale and in better alignment with UHI partnership.

Lack of growth: in student numbers, curriculum provision, skills development, research, areas of excellence, estate/infrastructure, and internationalisation	Fewer students to target and competition between partners Inability to achieve economies of scale as spread so thinly Lack of resource to ensure skills programmes are proactively developed for key areas of local growth (i.e., renewable energy) Limited number of staff involved in research or with the capacity to become involved in research Lack of ability to invest in estate and infrastructure which responds to local opportunities Inability to internationalise our specialisms Reduced Income	Development of multi-modal tertiary curriculum that is diverse, flexible and joined up across the region providing attractive multi location, research-led teaching and digital opportunities to all applicants Larger Business Development team that can coordinate skills development, tailored (and targeted) to regional stakeholders without repetition Enhanced research network where specialisms are coordinated across the region and expanded, rather than restricted to one or two locations Growth of knowledge exchange and innovation through joined-up research excellence Growth of targeted international activity into key markets where demand for our specialisms is high (i.e., Adventure Tourism, Sustainable Land Management)	Mitigation has begun to yield results in this area but will require more time and opportunity to enhance processes to come to full maturity. Sectoral funding settlement and challenges in UHI HE recruitment will represent additional risks to full realisation of mitigation. It is likely that as UHI Transformation programme develops new targets and mitigation will be required to help UHI NWH realise its potential. UHI NWH’s specialisms and particular expertise (e.g. ERI) are likely to become more relevant overall and increased public and private investment in the area will provide an opportunity for enhanced place-based KE and collaboration.

Appendix 11

Risks, Mitigation and Opportunities Years 3-5

Risk Category	Risk Name	Risk Description	Mitigation	Linked Opportunities
1. Financial and Funding Landscape	1.1 Continued sectoral financial strain	Real-terms reduction in public funding, inflationary costs creating sustained budgetary pressure.	Maintain strong financial governance; pursue shared services, efficiency reviews, and scenario planning; advocate collectively through UHI partnership and Colleges Scotland.	Joint procurement, shared curriculum and estates planning can yield cost efficiencies and stronger regional voice in funding bids.
	1.2 Financial risk profile	Short-term measures taken (e.g. utilization of FE Capital funding for maintenance) are likely to have long term impacts	Maintain careful control of backlog maintenance and ensure required reports are carried out, with impacts modelled on spend	May support with decision making around asset divestment or prioritise assets that could be offered up as part of partnerships
	1.3 Limited local mitigation capacity	Individual colleges can no longer offset funding shortfalls without eroding core provision.	Prioritise core services and protect critical delivery; adopt transparent prioritisation frameworks for savings.	May allow focusing on reduced number of key areas for the future, but this will have an impact on some students and staff.
	1.4 Constrained core funding	Core funding for FE and HE delivery has been heavily relied	Income Growth Strategy has been developed and some flexibility has been offered by	Opportunities for industry partnerships related to renewables investment could

		on in the past but is being cut in real terms.	SFC through the College Transformation Framework.	help advance flagship projects and create demand.
2. Organisational Change and Transformation	2.1 UHI Transformation impact	Transformation programme introduces parallel change while the new college is still embedding merger processes, risking disruption and exacerbating staff fatigue.	Clear communication, phased implementation, and staff involvement in design; align internal plans and strategies with UHI Transformation plans as they become clearer.	Chance to reshape operating model, modernise systems, and align more closely with UHI Executive Office's strategic direction when opportunities arise.
	2.2 Post-merger stabilisation period	Internal processes, culture and identity still forming two years post-merger; competing priorities risk slowing consolidation.	Continued emphasis on "one-college" culture, cross-campus teams, and visible leadership presence.	Opportunity to define a distinctive UHI NWH sub-regional identity with characteristic learner experience and place-based expertise.
3. Regional Economic and Infrastructure Context	3.1 Emerging economic development opportunities	Detailed planning around major projects such as Inverness & Cromarty Firth Green Freeport still being confirmed; no clarity around next round of major structural funding e.g. Growth Deal successors.	Continue strategic engagement individually as a college and collectively through forums such as Focus North, ensuring refinement of approach and planning as plans firmed up.	Advocate for college's role in enhancing impact of opportunities and leverage opportunities to influence help set the agenda at a strategic level.
	3.2 Regional inequality	Comparative economic inequality between Scotland and Highlands and Islands, exacerbated at sub-regional level, exemplified in housing and	Advocate for regional investment; collaborate with local authorities and enterprise agencies to influence transport and connectivity planning.	Alignment with ScotWind, Inverness & Cromarty Firth Green Freeport, and wider just-transition programmes could

		accommodation; weak infrastructure (transport, digital connectivity) hampers access and delivery.		deliver skills pipelines and regional growth.
	3.3 External shocks	Factors such as operator collapse (e.g. Wick–Aberdeen PSO route) expose dependency on fragile infrastructure and logistics.	Scenario planning and contingency frameworks for delivery continuity; invest in remote learning capacity.	Expansion of digital and hybrid delivery strengthens resilience and extends reach.
4. Sectoral Transformation and Sustainability	4.1 Unsustainable current funding model	National college model under pressure – current scale and pattern of provision not financially sustainable beyond mid-term as confirmed by SFC and Audit Scotland in recent reports.	Engage actively with Scottish Funding Council and sector reform processes; model different delivery and partnership scenarios.	Position college as a pilot region for reform and innovation in tertiary delivery, including hybrid models. Seek alignment with major investment such as Highland Investment Plan.
	4.2 Skills and curriculum alignment	Rapid labour-market shifts (net zero, digital, health and care) require agile curriculum change amid constrained budgets.	Establish agile curriculum review cycles; strengthen employer partnerships.	Opportunity to innovate in new graduate apprenticeship frameworks, renewables training, and micro-credential delivery.
5. People and Organisational Wellbeing	5.1 Staff wellbeing and engagement	Elevated stress and fatigue from ongoing change and funding uncertainty; staff morale and retention risks.	Maintain wellbeing programmes; transparent communication; workload monitoring; strengthen internal voice channels and staff forums.	Engaged workforce supports innovation, reduces turnover, and reinforces "one college" culture.

	5.2 Leadership and succession	Dependence on a small leadership cohort across a dispersed geography with 19 campuses and centres.	Develop distributed leadership and clear succession planning.	Builds leadership capacity and resilience across the organisation.
6. Learners and Community Engagement	6.1 Changing learner needs post-pandemic	Students entering college post-2021 show higher support needs and variable preparedness, increased disclosure and occurrence of issues such mental health.	Enhance learner support capacity; train staff in inclusive practice; strengthen cross-campus wellbeing provision.	Demonstrates commitment to equality of access and supports retention, collaborate with partners to enhance local provision and training opportunities e.g. for counsellors.
	6.2 Digital inclusion and delivery challenges	Persistent digital divide across islands and rural areas undermines flexible learning delivery.	Targeted digital-access initiatives and partnerships with local authorities to improve connectivity and devices.	Leadership in inclusive digital delivery; potential external funding for infrastructure pilots.
	6.3 Community and stakeholder perception	Post-merger identity not yet fully embedded in local consciousness; need to strengthen community trust and visibility.	Regular community engagement sessions; promote local success stories and visible leadership presence.	Reaffirm regional role as anchor institution; basis for future local partnership funding bids.
7. Estates and Infrastructure	7.1 Estates maintenance and rationalisation	Ageing or underutilised buildings, limited capital funding, and high energy costs threaten sustainability.	Develop prioritised estates strategy linked to carbon-reduction targets; rationalise footprint while protecting access.	Scope to co-locate with community partners and leverage green infrastructure funding.

	7.2 Reputational risk from closures or condition issues	Potential negative perception if local centres close or deteriorate.	Early and transparent consultation; reinvest visible savings into frontline delivery.	Positive narrative around modernisation and reinvestment in learning environments.