

Our ref: SFC Project Code: H26031

20 March 2026

Professor Nigel Seaton
Interim Principal and Vice Chancellor
University of Dundee

By email

Dear Nigel,

University of Dundee Recovery: Offer of Grant under Section 25

The Scottish Funding Council (SFC) is offering the University of Dundee funding of up to £40m through a direction under Section 25 of the Further and Higher Education (Scotland) Act 2005. Section 25 has been invoked due to the appearance of financial mismanagement at the University and the funding has been offered to support the University to return to a position of financial health.

The funding will be paid over two Academic years - 2025-26 and 2026-27. The approval of the up to £40m by Scottish Ministers forms the basis of this offer.

Conditions of funding

This funding must be used for the purposes given and is offered in accordance with SFC's Financial Memorandum and the following specific conditions of grant appended to this letter at Annex A.

SFC would draw the University's attention to the following:

- The products specified in the appended conditions.
- The maximum funding threshold of £30m that is in operation in relation to the drawdown of the funding by the University.

We may audit the relevant documentation to satisfy ourselves that you have used the grant appropriately and have met the conditions of grant. If you do not comply with any of the conditions of grant, we may suspend payments and/or recover funding paid.

Outputs and Monitoring

The outputs and monitoring arrangements for this grant are detailed in the attached conditions at Annex A in this document. We acknowledge receipt of the four products due by 31 December 2025 which were delivered to SFC on schedule.

Meeting between SFC and University Court

Given the unprecedented nature of the level of investment in the University, a large number of conditions have been applied to the funding to ensure that public funds are protected and that the overall policy objective is met. Given the unprecedented use of s25 funding and the conditions attaching, it would be appropriate for SFC to address the University Court to set out our expectations on compliance with the conditions and the monitoring thereof to support the Court in its governing role.

Payment of funding

Subject to compliance with the funding conditions, SFC will provide funding according to the drawdown requests provided by the University. When submitting the drawdown requests required by SFC the University will have regard to the £30m maximum funding threshold.

Support for this activity is subject to the availability of funds. If the Scottish Government revises its grant funding to SFC, we reserve the right to make in-year adjustments to this offer of grant.

We cannot process any payments until you have accepted this offer of grant in writing. Please sign this letter and return by email to, Budgeting and Reporting Officer, email: grantacceptance@sfc.ac.uk, by 24 March 2026. You should contact Richard Maconachie, Lead Director, email: rmaconachie@sfc.ac.uk, should you have any queries about this offer of funding.

Yours sincerely,



Francesca Osowska OBE FRSE
Chief Executive

cc: Esther Robertson, Chair of University Court, University of Dundee
Lee Hamill, Director of Finance, University of Dundee
Richard Maconachie, Lead Director, SFC
Tiffany Ritchie, Interim Director of Finance, SFC
Lynne Raeside, Deputy Director of External Affairs, SFC
Elizabeth Horsburgh, Funding Policy Officer, SFC



Acceptance of grant

Project code: H26031

I, on behalf of University of Dundee, accept this offer of funding of up to £40m from SFC in the Academic Years 2025-26 and 2026-27 under section 25 and to support the recovery of the University. I agree to comply with SFC's Financial Memorandum, the conditions of funding and requirements of the grant, and the monitoring and evaluation requirements as outlined in the offer of and conditions of grant.

Name:

Position:

Signed:

Date:



Annex A - Conditions of Grant

1. These conditions relate to and should be read in conjunction with SFC's letter of 26 November 2025.
2. The funding shall be applied by University of Dundee ("UoD") for the grant purposes only. Payment of the grant is through a Direction by Ministers under Section 25 (s25) of the Further and Higher Education (Scotland) Act 2005.
3. The primary purpose of the grant is to support the UoD's return to a long-term sustainable and viable position as a going concern. The grant available to the University is up to £40m payable over two academic years (2025-26 and 2026-27).
4. SFC's role is to monitor the University's compliance with the conditions of grant listed in this document and to monitor the University's delivery against the products in these conditions as scrutinised and approved by the University Court. SFC is also responsible for monitoring the University's use of s25 funding in attainment of renewed financial health and the milestones to a financially sustainable position. As noted above, Ministers have issued a Direction under s25 which enables a grant to be paid to the UoD should conditions of funding be met.

Payment of Grant

5. SFC may release funds upon completion of defined products as set out in Appendix (i) and subject to the conditions [7 to 10] below. The quantum of funds released will be restricted to ensure that the cash and cash equivalent balances less the value of bank accounts relating to endowments and less other such items **as agreed with SFC ("Net Cash Balances")** do not exceed £30m (the **"Maximum Funding Threshold"**). UoD may request funding which would result in Net Cash Balances in excess of the Maximum Funding Threshold, but only where the University can demonstrate a cash flow imperative for such excess funds in the short to medium term and the release of any such excess funds would be entirely at the discretion of SFC.
6. SFC may, in the event of a material reduction to its Net Cash Balance position, where SFC (in its discretion) considers it appropriate and necessary in all the circumstances to do so, and provided the Net Cash Balances (following the release of funds) do not exceed the Maximum Funding Threshold, release a portion of the grant funding to the UoD. This is notwithstanding the provisions contained in paragraph 5.



7. Any release of funds under the foregoing paragraphs [5 and/or 6] shall be subject to UoD making a request for funding in writing in such form as shall be required by SFC, not less than 10 business days prior to the proposed funding date (or such shorter period as SFC may in its discretion agree), accompanied by such information as to proposed use of funds and the cash (and general financial) position of UoD as SFC may reasonably request for the purpose. Following the receipt of a funding request, UoD will promptly provide SFC with any further information reasonably requested by SFC regarding UoD's finances, property and operations, and SFC shall be entitled to defer payment in the event that such information is not promptly provided. At a minimum this will include but not be limited to:
 - a. 12 month rolling cash flow forecasts and income and expenditure forecasts with key assumptions at the same frequency and detail supplied to the Court and its committees or within 20 business days of month-end whichever is earlier; and
 - b. current management accounts at the same frequency and detail supplied to the Court and its committees or within 20 business days of month-end whichever is earlier.
8. SFC will not release grant funding allocated under the s25 Direction to support any job losses. SFC grant funding can be used to support the core operating costs of the University, and SFC reserves the right to require funds drawn from SFC to be drawn in to a separate bank account which can be monitored / and in relation to which SFC may require copy bank statements from time to time to monitor cash disbursement.
9. SFC may recover funds advanced under section 25, should the UoD's forecast and actual net cash balances diverge materially (by greater than 15% above the maximum funding threshold) from the forecasts provided by UoD to support the funding requests made to SFC. In exercising this right, SFC shall consider cashflow forecasts and actual net cash balances provided by UoD to ascertain whether the net cash balance continues to exceed the maximum funding threshold of £30m for a period of 2 months based on the cashflow and balance information submitted to SFC. SFC will recover (to the extent that the funds have been granted to UoD) funds to reinstate the UoD cash balance to the maximum funding threshold level.
10. SFC will consult with UoD on the timing and quantum of recovery/will recover funds from the University at the earliest opportunity and recovery will be within 30 days of the higher net cash balance coming to light. This clause will lapse 6 months after the end of the section 25 funding period (31 July 2027).



Compliance with Conditions

11. UoD will report any breach or anticipated breach of these conditions to SFC as soon as the breach is known.
12. SFC will monitor compliance with the conditions contained in this funding agreement. Where a material breach of conditions is found by SFC to have occurred or is reported to SFC by the University, SFC will:
 - a. Inform UoD of the breach (if the breach is not one reported to SFC by UoD) and determine if the breach can be remedied;
 - b. Where a breach can be remedied, a period of 14 days, or as agreed with SFC, will be allowed for the University to apply the remedy and to provide SFC with evidence of the remedy having been applied;
 - c. Where a breach, in the view of SFC, cannot be remedied or the University fails to remedy a breach in the timescale specified at point (b) – SFC reserves the right to discontinue future funding and/or to recover funds previously provided to the University.
13. When deciding to withhold or recover s25 grant funding, SFC will engage with UoD. SFC will consider the materiality of the breach of conditions when considering its response to such a breach and the required remedy.

Section 1: Financial Sustainability

14. UoD must prepare the documents in these Conditions (“the Products”) [and as set out in Appendix (i)].

High Level Implementation Plan “Plan on a page”

15. UoD must prepare a plan setting out strategic milestones along with Key Performance Indicators against which to monitor progress over the next 6 months (“High-Level Implementation Plan”).
16. The High-Level Implementation Plan must:
 - be produced at the latest by 31 December 2025; and
 - set out clear milestones to track progress and ensure alignment across all the obligations arising from these Conditions (and as set out in the Products), up to June 2026.



Structure Change Implementation Plan

17. UoD must prepare an implementation plan in respect of any changes to the structure of UoD and cost saving measures (including planned, voluntary staff reductions) while the Strategy To Recovery is being developed (“Structure Change Implementation Plan”).
18. The Structure Change Implementation Plan must:
- be produced at the latest by 31 December 2025; and
 - set out an implementation plan in respect of the organisational change from eight schools to four faculties including
 - evidence of engagement or planned engagement in respect of this implementation plan;
 - a workforce plan to support the changes to the University structure and demonstrate feasibility;
 - details around any Voluntary Severance Schemes; and
 - clear milestones relating to the delivery of the plan.

Strategy to Recovery

19. UoD must prepare a robust and credible medium-term institution-wide plan designed to (i) stabilise the university’s finances and (ii) create a strategic path to recovery that aligns immediate and medium-term actions to long term goals and (iii) rebuild trust and accountability (the “Strategy to Recovery”).
20. The Strategy to Recovery must:
- cover the 3-year period beginning not later than 1 July 2026;
 - be produced at the latest by 30 June 2026;
 - be the subject of a period of credible and meaningful engagement with staff and students, as assessed against the appended engagement framework which draws on the Scottish Government’s National Standards for Community Engagement Framework;
 - be subject to adequate scrutiny, endorsement and ownership by the University Court;
 - include a clear vision to guide decisions (including decisions on significant organisational restructuring) with a view to ensuring that short-term actions do not risk undermining future recovery;



- contain a detailed workforce plan and evidence of staff engagement, detailing the rationale for the future size and shape of the University and how the future staffing structure will support the University of the future;
 - contain the Commercial Lending Strategy as detailed at paragraphs 43 and 44 below; and
 - provide evidence (including from staff engagement) for decisions around income generation and savings, providing a rationale for decisions that are being taken and how they will support long-term recovery and success.
21. To ensure that the structure of the future workforce is congruent with the medium-term Strategy to Recovery, UoD **must not** begin a compulsory redundancy process, relating to the Strategy to Recovery before the Strategy to Recovery including the workforce plan and meaningful engagement with staff and students has been completed and evidenced to SFC by the University Court. This will give assurance that public investment will support the long-term future of the UoD. The Strategy to Recovery must be approved by the University Court.
22. SFC may retain third party specialist resource to assess the adequacy of engagement and credibility of the Strategy to Recovery. This provision is in addition to the provision for independent resource at paragraph 56 of this document.

Strategy to Recovery Implementation Plan

23. UoD must prepare an implementation plan (“Strategy to Recovery Implementation Plan”) by 30 June 2026 setting out milestones against which progress in implementing the Strategy to Recovery will be monitored. The implementation plan should reference the workforce plan which supports the Strategy to Recovery and the Academic Operating Model.

Academic Operating Model

24. UoD must prepare a structured framework through which it intends to organise and deliver its core activities (the “Academic Operating Model”).
25. The Academic Operating Model must:
- be produced at the latest by 30 June 2026;
 - identify UoD’s key strengths and offerings, both in teaching and research, which will inform the shape and nature of UoD’s future structure and the underpinning Professional Services;



- include detail of:
 - the work relating to the review of the University’s academic portfolio;
 - the impact on the curriculum and students during the planning and implementation period;
 - the professional services restructuring currently being progressed; and
 - how professional services will support the new academic structure.
- be supported by a detailed workforce plan to support the new academic operating model and contained in the Strategy to Recovery; and
- be the subject of a period of credible engagement with staff and students, as assessed against the appended engagement framework which draws on the Scottish Government’s National Standards for Community Engagement Framework

Longer-Term Strategy

26. UoD must develop a longer-term strategy which further supports the transition to a sustainable institution (“the Longer-Term Strategy”).

27. The Longer-Term Strategy must:

- be produced by at the latest [31 July 2027];
- be the subject of a period of credible engagement with staff and students, as assessed against the appended engagement framework which draws on the Scottish Government’s National Standards for Community Engagement Framework;
- be supported by a workforce plan developed through engagement with staff which demonstrates that both the level of staffing and structure are adequate to deliver the longer-term strategy;
- be subject to meaningful scrutiny and endorsement by the University Court;
- set a long-term vision;
- underpin and support strategic changes;
- set realistic and evidence-based growth targets; and
- provide evidence (including from staff engagement) for decisions around income generation and savings, explaining why decisions are being taken and how they will support long-term recovery and success.



Provision of financial information

28. UoD must, by 31 December 2025, provide SFC with the cashflow forecast for the period to 31 July 2027, to include forecast liquidity and funding requirements using available funding. The University must provide SFC with rolling cashflow forecasts to 31 July 2027 on a quarterly basis.
29. UoD must provide to SFC:
 - monthly updates on forecasted and actual student recruitment, highlighting significant changes; comparing this year's performance with last year's; and explaining any financial impacts of student number variances; and
 - updates on the financial, student experience and research metrics set out in Appendix (ii) at the reporting frequency set out in that table.

Section 2 - Robustness and Transparency of Governance

30. UoD must have in place robust financial controls to ensure spending decisions are well-documented, prudent and informed by insights from the Gillies Review and engagement with staff and students (**in line with the Engagement Strategy**) where the impact on staff is determined to be material.

Gillies Review

31. UoD must implement the recommendations arising from the Gillies Review relating to the improvement of financial controls and processes, as contained in the UoD Gillies Review Action Plan.
32. UoD must report progress monthly on implementing these recommendations.
33. The timeline for implementation of the actions in the UoD's response to the Gillies Review, and any changes to that timeline, must be agreed with the SFC.

Further recommendations

34. UoD must implement the process and methodology recommendations set out in Appendix (iii).
35. UoD must report progress on a monthly basis on implementing these recommendations and provide assurance to SFC on the improvements being made through the view of the University's internal auditors.



36. UoD must consider and, as far as reasonably practicable and where they align with UoD strategy, implement any recommendations arising from:
- any accountancy or other financial or commercial advisors commissioned by UoD; and
 - any review (**internal or otherwise**) of the expenses process and procurement process at UoD.

Section 3 - Capacity and Stability of Leadership

Leadership and Governance Plan

37. UoD must prepare a plan for establishing a permanent effective leadership team and University Court (“the Leadership and Governance Plan”) as a matter of priority.
38. The Leadership and Governance Plan must:
- be produced by 31 December 2025;
 - address the need for permanency and stability in its senior leadership team;
 - provide for processes to ensure ongoing quoracy, capacity and capability of UoD Court and Committees;
 - address issues identified by the Gillies Review and other reviews relating to leadership and governance at UoD; and
 - set out clear timelines, milestones and processes for the above.
39. With a view to providing ongoing assurance to SFC, UoD must, on a quarterly basis, provide SFC with the following:
- percentage completion (percentage of action completed at date of reporting) of Leadership and Governance Plan; and
 - percentage member attendance of University Court and Finance Committee, Policy Committee, Audit Committee and Risk Committee meetings.
40. UoD must implement the recommendations of the external governance review as shared with the University Court on 12 November 2024; and provide quarterly updates to SFC on the measures taken.
41. UoD must when reasonably requested to do so provide SFC with ongoing assurance that UoD has:



- an appropriate and robust model for the costing of its research activity;
- a suitable and appropriately resourced Strategy and Planning function; and
- has developed or reviewed its workload allocation.

42. The assurance required by SFC should be obtained by the University through internal audit of these areas to monitor compliance and scope for control and process improvements. These reports, when available, should be shared with SFC.

Section 4 - Pathway to access Commercial Lending

43. UoD must prepare a strategy for accessing commercial lending (“the Commercial Lending Strategy”). The Commercial Lending Strategy forms part of the Strategy to Recovery.
44. The Commercial Lending Strategy must:
- a. be produced at the latest by 30 June 2026;
 - b. include an engagement plan **with lenders**; and
 - c. detail the steps that will be taken by the University to secure commercial lending.

Section 5 - Delivery for Staff, Students and the Wider Region

Compulsory Redundancies

45. UoD **must not** begin a compulsory redundancy process, relating to the Strategy to Recovery before the strategy, including the workforce plan and meaningful engagement with staff and students, has been completed and evidenced to SFC by the University Court. The requirements for the Strategy to Recovery are detailed at paragraphs 19 to 22 of this document. The Strategy to Recovery must be approved by the University Court.

Voluntary Severance and Redundancies

46. UoD must advise SFC of the intention to conduct any staff consultation exercise related to potential voluntary severance and redundancies prior to this being commenced.
47. When undertaking voluntary severance, the UoD should consider the impact of the severances to ensure that they do not undermine the Strategy to Recovery and its



workforce plan and provide evidence of this to SFC. The UoD process should adhere to Fair Work First Principles.

48. The University should consider the timing of both voluntary and compulsory redundancies to minimise the impact on students.

Engagement Strategy

49. UoD must prepare a strategy setting out UoD's process for identifying, engaging with, and responding to the reasonable views and contributions from relevant constituents across UoD ("the Engagement Strategy").
50. The Engagement Strategy must:
 - a. be prepared by 31 December 2025;
 - b. provide a framework to evidence that appropriate and specific engagement has taken place with appropriate milestones and key performance indicators;
 - c. reflect, and have standards based on the engagement framework based on the National Standards for Community Engagement (set out in Appendix (iv)); and
 - d. set out the role that this framework has in shaping and building understanding of the Academic Operating Model, the Structure Change Implementation Plan, the Strategy to Recovery, and the Longer-Term Strategy.
51. UoD must, on request by SFC, provide evidence of meaningful engagement and clear information about how decisions have been arrived at, including the impact that the Engagement Strategy has had on decision making.

Going Concern

52. A key aim of the section 25 support is to enable UoD to evidence going concern status. SFC would expect that the Strategy towards recovery would demonstrate a clear pathway towards going concern including the timely completion of the audits of 2023-24 and 2024-25 financial statements.
53. SFC will review the UoD's going concern position as at the end of June 2026 in respect of the audit opinion on the most recent available set of published financial statements. A modified opinion for a set of financial statements prepared on a going concern basis will be acceptable to SFC.
54. Should UoD not receive a going concern opinion by June 2026 for an audited set of financial statements, UoD must provide a date by which this will be achieved. Failure to do so may result in an alteration to the quantum and timing of funding made available by SFC.



Ongoing Monitoring and Assurance

55. UoD Senior Leadership (including, as a minimum, the UoD Chair and Principal) shall meet SFC quarterly (or at such other regular interval as may be agreed with SFC) to:
 - a. provide assurance on the implementation of these Conditions, with a particular focus on progress around delivery of the Strategy to Recovery and the Longer-Term Strategy; and
 - b. monitor UoD's progress against the milestones and associated key performance indicators set out in the Products.

56. SFC reserves the right to commission an independent expert to provide us with assurance that the UoD continues to comply with the conditions attached to the funding provided and is progressing the delivery against the products contained in this document. The UoD must comply with paragraph 68 of this document in relation to the access to be provided to the SFC appointed expert.

57. UoD will, on a quarterly basis (or at such other regular interval as may be agreed with SFC), present progress against the Strategy to Recovery and the Strategy to Recovery Implementation Plan to the SFC Executive Team, SFC Finance Committee and SFC Board.

58. UoD Executive Leads (including, as a minimum UoD Director of Finance, Secretary and Director of People) will meet monthly with SFC to review progress against the Strategy To Recovery and the Longer-Term Strategy milestones and key performance indicators (as set out in those Products).

59. SFC may attend any of the following meetings as an Observer:
 - a. University Court,
 - b. Finance and Policy Committee,
 - c. Audit and Risk Committee; and
 - d. Student Number Planning Group.

60. UoD will share all Internal Audit reports with SFC as soon as practicable after these have been reviewed by the UOD Audit and Risk Committee.

61. SFC may, as an observer, attend meetings of the University Executive Group (UEG) where the Strategy Towards Recovery and longer-term strategy are considered.

62. UoD must, within 10 business days of the relevant meeting, provide to SFC minutes of:
 - a. Court Meetings;



- b. Standing committee meetings; and
 - c. University Executive Group meetings at which the Strategy To Recovery and Longer-Term Strategy are discussed.
63. UoD must provide to SFC:
- a. monthly management accounts to include academic year-end forecasts for the UoD's operating and cash positions and measuring compliance with any banking covenants in place (including reporting on progress on and delivery of milestones and key performance indicators) the same frequency and detail supplied to the Court and its committees or within 20 business days of month-end whichever is earlier;
 - b. upon request, any other financial information (including regular liquidity/cash reporting) for the purposes of providing assurance on liquidity management and progress in delivering the Strategy Towards Recovery and longer-term strategy; and
 - c. regular cash flow information and management accounts information (at a minimum to include a rolling 13 and 26 week forecasts along with an at least 12-month cashflow forecast and financial performance to date and against full year forecast) at the same frequency and detail supplied to the University Executive Group, Court and its committees or within 20 business days of month-end whichever is earlier.
64. UoD must provide SFC with regular (**as agreed with SFC**) updates on student and staff engagement and satisfaction, to include but not limited to the NSS Student Satisfaction Survey (annual), the Postgraduate Research Experience Survey (annual) and the Postgraduate Taught Experience Survey (annual).
65. UoD must provide to SFC any information reasonably requested.

General Terms (Applicable to all SFC grants)

66. The Scottish Government expects that all public bodies, and those in receipt of public funds, should be exemplars of Fair Work and that they should be able to demonstrate Fair Work practices, i.e. pay the Real Living Wage; investment in skills and training; no exploitative zero hours contracts; tackling the gender pay gap; have genuine workforce engagement; have flexible and family friendly working practices; and oppose the use of fire and rehire practices. As a recipient of public funds, the UoD must be committed to Fair Work practices for staff (including any agency or sub-contractor workers) engaged in the delivery of activity associated with public funds. We expect you to have a statement on Fair Work practices that has been developed in agreement with your workforce. This should be from the relevant trade



union where one is present, or workers' representative(s) where there is no union present.

67. UoD agrees that SFC may share information and data about them (including any correspondence between SFC and the institution), this Offer and the Grant with the Scottish Ministers, other public authorities (including the Cabinet Secretary for Education and Skills, other government departments, the devolved administrations and the European Commission) and their agents. SFC also reserves the right to publish the conditions in draft and final form and in part or in full.
68. UoD agrees that SFC (or an agent or contractor acting on their behalf) or any statutory auditor (as required by SFC and at the institution's cost) may conduct an audit of the Grant and of the information or evidence provided by the Institution to ensure compliance by the UoD of this Offer and the verification of the use of the Grant. The UoD agrees to afford SFC (or any agent or contractor acting on their behalf) assistance in relation to any such audit, to include reasonable access (upon reasonable notice being given) to such buildings or premises or other assets or equipment of the institution as required.

Appendix (i) – Products required to support Strategic Plan Development and Delivery

When	What
No later than 31 Dec 2025	High level implementation Plan to June 26 (Plan on a Page)
No later than 31 Dec 2025	Structure change implementation plan to June 26
No later than 31 Dec 2025	Leadership & Governance Plan
No later than 31 Dec 2025	Engagement Strategy
No later than 30 June 26	Strategy to Recovery (3 year plan)
No later than 30 June 2026	Commercial Lending Strategy
No later than June 2026	Implementation plan for Strategy to Recovery
Period to April 2027 (and then ongoing)	Implementation of Strategy to Recovery
No later than 31 July 2027	Longer-term Strategy for 202X to 203X – Period to be determined

Appendix (ii): Definitions and frequency of measurement

Key performance metrics

Lens/Measure	Definition	Frequency of measurement
Financial		
EBITDA*	HE EBITDA less exceptionals and recovery funding	Monthly
Cash days	Standard cash days figure (less exceptionals and recovery funding)	Monthly
International Tuition Fee Income	Tuition fee income generated from international students	Monthly
Other Income	Excluding investment income – excluding ringfenced philanthropic funds.	Monthly
Commercial borrowing available to university	Level of commercial borrowing available to university including the amounts drawn down.	Monthly
Student Experience		
Student recruitment vs budget		
- International	Student recruitment by UG/TPG vs target	In line with recruitment phases
- Domestic	Student recruitment by UG/TPG vs target	In line with recruitment phases
- Domestic	Percentage of Domestic Student attrition on a	Annually

	three-year trend basis plus current year	
NSS student satisfaction	NSS survey	Annually
Postgraduate experience satisfaction	Postgraduate Research Experience Survey and Postgraduate Taught Experience Survey	Annually
Research		
Research overhead recovery (£m)	Amount of overhead recovered by the University at aggregate level for research activity	Monthly
Research mix	Research income proportion by funder type	Monthly/quarterly
Leadership and Governance		
Percentage completion of leadership transition plan	Percentage of actions completed at date of reporting	Quarterly
Commercial lending	Level and terms of commercial lending – used as a proxy for confidence in leadership	Quarterly
University Court and Committee member Attendance at Court and key committee meetings	Percentage attendance at Court/Finance and Policy/Audit and Risk Committees	Quarterly
Implementation of Gillies Review recommendations	Gilles review recommendations implemented to date/vs those remaining	Monthly
Staff Survey Results	University to share staff surveys results including pulse type surveys	As available

* As defined by BUFDG

SFC will continue to monitor the University's performance against the measures and milestones contained in its various plans as required by these Conditions.



Appendix (iii): Recommendations on improvement of cashflow forecasting control

Recommendation 1 - Receipts – Research Income :

- UoD implements a formal tracking mechanism to monitor actual research project cash flows against forecasts.
- UoD enhances its data capture processes so that research contracts (including expected timing of receipts) are fully reflected in the cash flow forecasts. The aim is to provide better visibility into the expected timing of payments for each project which will enable more accurate and reliable short-term cash flow forecasting.
- UoD should address its lack of granular research data. UoD has prioritised the recruitment of a Head of Research Finance who will drive improvements in data collection and analysis for research income forecasting.

Recommendation 2 - Payments – Purchase Ledger:

- UoD to implement comprehensive commitments aging schedule that incorporates all payables liabilities. This will ensure accurate forecasting of payments and reduce UoD's reliance on true up adjustments. This schedule is under development.
- UoD has a stricter approvals process in place for authorising payments across the University and has plans to introduce further enhancements.

Recommendation 3 – Payments – Capital Expenditure:

- UoD incorporates detailed capital project schedules as part of the budget planning process. This will feed into the cash flow forecasts to improve visibility over timing and phasing of payments.



Appendix (iv) (to conditions) – Engagement Framework

1. The standards for engagement set out below are based on the widely accepted National Standards for Community Engagement as utilised by the Scottish Government as the benchmark for best practice in engagement. They are widely accepted by a range of practitioners as key principles for effective practice.
2. These principles are designed to support and inform the process of engagement, and improvements resulting from that process. They describe the main elements of effective engagement and set out detailed performance statements that all parties involved can use to achieve the highest quality results and the greatest impact.
3. They are intended to act as a central benchmark and reference point for best practice.
 - Inclusion: we will identify and involve the people and stakeholders that are affected by the focus of the engagement.
 - Support: we will identify and overcome any barriers to participation to ensure that as many people and stakeholders are involved as possible by the engagement.
 - Planning: there is a clear purpose for the engagement, which is based on a shared understanding of the engagement across all people and stakeholders.
 - Working together: we will work effectively together to achieve the aims of the engagement and will demonstrate how our people and stakeholders have contributed to what is developed through the engagement.
 - Methods: we will use methods of engagement that are fit for purpose and that ensure that the maximum number of people and stakeholders are engaged meaningfully.
 - Communication: we will communicate clearly and regularly with our people, and other stakeholders affected by the engagement.
 - Impact: we will assess the impact of the engagement and use what we have learned to improve our future engagement.
4. The engagement carried out by the University must clearly meet these benchmarks and be able to clearly evidence that these benchmarks have been met to establish that effective engagement has taken place.
5. These are the benchmarks SFC will use to assess effective engagement by the University.