



Executive Manager: Jan-Robert Riise
Director of Corporate Services: Christine Ferguson

Governance & Law
Corporate Services Department
Montfield
Burgh Road
Lerwick
Shetland, ZE1 0LA

Telephone: 01595 744550
Fax: 01595 744585
committee.services@shetland.gov.uk
www.shetland.gov.uk

If calling please ask for
Lynne Geddes
Direct Dial: 01595 744592
Email:
lynne.geddes@shetland.gov.uk

Date: 26 June 2019

Dear Sir/Madam

You are invited to the following meeting:

**Special Shetland College Board
Council Chamber, Town Hall, Lerwick
Monday 1 July 2019 at 10.00am**

Apologies for absence should be notified to Lynne Geddes at the above number.

Yours faithfully

Executive Manager – Governance and Law

Chair: Mr P Campbell
Vice-Chair: Mr T Smith

AGENDA

- (a) Hold circular calling meeting as read.
- (b) Apologies for absence, if any.
- (c) Declarations of Interest – Members are asked to consider whether they have an interest to declare in relation to any item on the agenda for this meeting. Any Member making a declaration of interest should indicate whether it is a financial or non-financial interest and include some information on the nature of the interest. Advice may be sought from Officers prior to the meeting taking place.
- (d) Confirm minutes of meeting held on 1 May 2019 (enclosed).

ITEM

1. Shetland College Principal's Update
SCB-147



MINUTES

**Shetland College Board
Council Chamber, Town Hall, Lerwick
Wednesday 1 May 2019 at 10.00am**

Present:

P Campbell	E Macdonald
T Smith	B Wishart

Apologies:

A Priest	G Smith
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In attendance (Officers):

N Grant, Director – Development Services
W Shannon, Interim Joint Principal
K Adam, Solicitor
S Berry, Depute Principal
K Briggs, Joint Manager – Train Shetland (Vocational)
A Pottinger, Manager – Train Shetland (Short Courses)
J Thomason, Management Accountant
L Geddes, Committee Officer

Chair

Mr Campbell, Chair of the Board, presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

Minutes

The Board approved the minutes of the meeting held on 25 February 2019 on the motion of Ms Macdonald, seconded by Mr Smith.

The Board approved the minutes of the meeting held on 4 March 2019 on the motion of Mr Smith, seconded by Ms Wishart.

06/19 Shetland College Principal's Update

The Board considered a report by the Interim Joint Principal (SCB-146-F) which provided an update on activity across the tertiary sector in Shetland.

The Interim Joint Principal summarised the main terms of the report, advising that the College had already met its credit target for the academic year, and it was one of the few colleges in the region that

was in this position. The overtrading position was predicted to be similar to last year, but it was important to demonstrate that the College could deliver more as this would assist with seeking additional funding.

The Manager – Train Shetland (Short Courses) summarised the activity between January and March 2019, advising that the number of courses and delegates had increased, but that the number of Council delegates was slightly down. This would be the last time Train Shetland required to use an external company to deliver National Examination Board in Occupational Safety and Health (NEBOSH) and Institute of Occupational Safety and Health (IOSH) courses, as an in-house trainer was currently completing the required qualification and should be able to deliver these courses from 2020. She went on to say that the tender that Train Shetland had submitted for the Council's First Aid courses had been unsuccessful. This was very disappointing as it would have a knock-on effect on future credits, income and numbers over the next two years. She was currently awaiting feedback as to why the tender had been unsuccessful.

The Chair commented that he was pleased to see that numbers were up, but it was very disheartening that Train Shetland had been unsuccessful in the tendering process at a time when the Council should be supporting the move towards an integrated tertiary sector in Shetland.

The Director of Development Services advised that the Council came under scrutiny to ensure that it was getting best value for services it was procuring. Train Shetland was currently in a difficult position - being neither fully internal or external to the Council - but it would sit outside the Council once the merger process was complete and would not have the same overheads.

The Joint Manager – Train Shetland (Vocational) then gave an update on recent activity, highlighting a number of successful events that had been held. Responding to a question, he advised that the first "Modern Apprentice for a Day" event had only included Council placements, but that this may be expanded to include more employers in the future.

The Director of Development Services added that the Developing the Young Workforce team had been working closely with the construction industry to help build a better relationship between the industry and schools, and attract more young people into the construction industry. However ultimately the challenge facing the Council was to increase the population of young people, as any movement into the construction sector would create a vacuum elsewhere.

It was commented that it was encouraging to see the work being done with parents to increase their knowledge of what was available locally, and to challenge gender stereotypes.

The Interim Joint Principal then spoke about the industrial action taking place at Shetland College, which was part of a national campaign. The Board noted that it was not expected that there would be any impact on exams locally, and that the withdrawal of “goodwill” by lecturing staff related to work carried out outwith contracted hours.

He went on to advise that staff were keen to progress the issue of student accommodation locally, which was vital for the growth of the tertiary sector in Shetland. A working group of staff across the sector had been formed with the intention of developing a Strategic Outline Case (SOC). In response to questions, he advised that UHI had an agreement with a private provider to provide student accommodation, but the proposal to develop accommodation in Lerwick was not being progressed any further. It was likely that it would be up to the community to provide a solution and he would expect the SOC to flag up any potential sources of funding, though it was still at a very early stage.

The Director of Development Services added that the SOC would look at all options including new builds, existing buildings and private rentals. It was hoped this work would be carried out during May.

The Board commented on the need for student accommodation locally, and commended staff for their efforts to progress this. It was noted that the lack of accommodation had an adverse impact on student numbers, and it was important to keep this issue at the forefront to help ensure the sustainability of the tertiary sector in future.

Decision:

The Shetland College Board:

- NOTED the content of the report and the current position in relation to FE and HE enrolments for academic session 2018/19 and the activity levels in Train Shetland for both Vocational Training and Short Courses.

The meeting concluded at 10.30am.

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Chair



Meeting(s):	Shetland College Board	01 July 2019
Report Title:	Shetland College, Principal's Update	
Reference Number:	SCB147-F	
Author / Job Title:	Willie Shannon Interim Joint Principal	

1.0 Decisions / Action required:

- 1.1 Shetland College Board should NOTE the content of this report and COMMENT as appropriate on the request for support for the UHI Programme Board which is attached as Appendix 1.

2.0 High Level Summary:

- 2.1 This report includes the Auditor General's report on Scotland's Colleges 2019 prepared by Audit Scotland and attaches a paper from UHI Programme Board seeking approval for support to develop its work over summer months.
- 2.2 The Project Manager for the Shetland Merger Process is attending today's Board meeting and will give members an update on progress to date.

3.0 Corporate Priorities and Joint Working:

- 3.1 Activity levels in Shetland's tertiary sector report links to the corporate priority of maximising the opportunity for further, higher and vocational learning opportunities, both for school leavers and for people returning to learning.
- 3.2 Children and Young People, including those from vulnerable backgrounds and care experienced, will have access to learning and development opportunities that enables them to fulfil their potential.
- 3.3 Shetland Schools in conjunction with Shetland Tertiary Education Sector and local business provide opportunities for young people to gain workplace experience and vocational qualifications while in education, providing the skills young people need to gain employment or continue onto further/higher education.
- 3.4 The Tertiary Education sector offers opportunities for people with all levels of skills to match with the skills that businesses need and those that the trained workforce have.
- 3.5 We continue to strive to create an effective model for providing excellent services to our learners.

4.0 Key Issues:	
<p>4.1 <u>UHI Programme Board</u></p> <p>4.1.1 The UHI Programme Board which was formed following an Assembly in Inverness last September has provided an update on progress which is attached at Appendix 1.</p> <p>4.1.2 The Programme Board is taking a high level, strategic approach at this stage. At page 3 of the attachment, point No. 7, there are two specific requests for you to consider at today's meeting.</p> <p>4.2 <u>Scotland's Colleges 2019</u></p> <p>4.2.1 The Auditor General recently published their report on Scotland's Colleges 2019 which was prepared by Audit Scotland. The document is attached for your information at the link at the end of this report.</p> <p>4.2.2 You will note the benchmarking table for retention and achievement of FE students both full and part time on page 29. The students in Shetland, which takes in Shetland College, NAFC and Shetland Arts are the highest performing in the country, which is commendable.</p> <p>4.3 <u>HISA Awards 2019</u> The Highlands and Islands Students Association (HISA) Awards for 2019 were announced on 19 June. I have attached the list of winners at Appendix 2 for your information. The HISA Society of the Year has been awarded to Shetland Students Green Team – Shetland College UHI and NAFC Marine Centre UHI. I would like to congratulate the Shetland Green Team and ask that this is noted by the Board.</p> <p>4.4 The Project Manager for the Shetland Merger has been in post for just over a month and is attending today's meeting to update members on progress so far.</p>	
5.0 Exempt and/or confidential information:	
5.1 None	
6.0 Implications :	
6.1 Service Users, Patients and Communities:	N/A
6.2 Human Resources and Organisational Development:	Support for the UHI ask in terms of staff support may have an impact on workloads.
6.3 Equality, Diversity and Human Rights:	N/A

6.4 Legal:	N/A
6.5 Finance:	N/A
6.6 Assets and Property:	N/A
6.7 ICT and new technologies:	N/A
6.8 Environmental:	N/A
6.9 Risk Management:	N/A
6.10 Policy and Delegated Authority:	<p>The role of the Shetland College Board is to support the Interim Joint Principal of Shetland College / Train Shetland / NAFC Marine Centre in carrying out his roles and to monitor progress against objectives approved by the Board or which have been set by the Council, including: -</p> <ul style="list-style-type: none"> a Strategic direction for Shetland College: specifically, the Board shall have the delegated authority to approve immediate short and medium term joint strategic plans with reference to the Council's agreed deliverables and milestones until June 2018. Approval of long-term plans shall be reserved to SIC and Education and Families Committee as a component of their longer-term vision wider strategic remit for learning at all stages of life. b Ascertaining the needs of users and promoting access between school, work, research and further and higher education, including approval for submission of annual, strategic and operational plans to UHI on behalf of the Council. c Developing resources, including financial resources, to support the learner. d Authority to review and develop structure plans to provide the staffing required for the College and to meet needs and provision for staff development and career review. e To provide direction on matters of quality assurance and improvement. f To monitor and provide assurance that the College operates sound financial management, including developing budgets and pursuing credit funding.

	g Liaising with UHI and other appropriate bodies, e.g. SQA, Scottish Funding Council and Education Scotland. h Take such decisions as appropriate to support the Interim Joint Principal in meeting the Council approved integration milestones.	
6.11 Previously considered by:	N/A	

Contact Details:

Willie Shannon, Interim Joint Principal

Tel: 01595 771218

21 June 2019

Appendices:

Appendix 1 – Recommendations of the Programme Board

Appendix 2 – HISA Awards 2019

Background Documents:

https://www.audit-scotland.gov.uk/uploads/docs/report/2019/nr_190604_scotlands_colleges.pdf

END

1. Introduction

In my address as chair of the programme board, to the most recent assembly in April, I outlined our evolution as a regional partnership as one driven by our particular ambitions, but also by external factors. As our collective activities in education and research have grown in response to specific opportunities and circumstances over the past ten years or so, the overlaps in activity, interests and sharing of resources across the academic partners and executive office have changed. We have developed collective processes to support planning, to manage quality and to pursue opportunities that continue to populate a collective space. The university, by definition, is now the totality of what we are all doing and achieving. However, our shared operation in this collective environment remains complex and time consuming as we seek to accommodate a model that is perhaps not what any of us would have envisaged at the outset of the university's development.

2. Why is our evolution so difficult?

This complexity is not because we cannot share and collaborate, nor is it the case that we do not see the benefit in doing so. However, the areas where we have developed good, collaborative, shared processes are often at a relatively lower operational level, around particular curriculum or specialist areas. They are, very often, where we are adding to our activities, rather than looking to make existing areas more shared or in areas with significant financial or strategic importance across multiple partners. It is clear to the programme board that we have been unable to make progress at this level, particularly where there is a need to balance local and regional interests. We struggle to work collectively and, in new ways, to address shared financial or operational challenges or to seize the big opportunities. Bluntly, this limits our sustainability, growth and impact.

3. Commitment and the assembly

The case for change has been articulated repeatedly over the last ten years and is now even more pressing because of financial challenges and competition in our sector and region. We know we are following some less successful attempts to drive change forward. There is progress, but this time we must find a way to move forward in the more challenging areas and with greater speed.

We made a clear commitment to our internal and external stakeholders at the assembly in September 2018 to investigate and try to solve our most difficult and pressing issues. We need to enable the university partnership not just to achieve sustainability, but also to thrive and deliver even more to our communities.

4. The programme board

The assembly formed the programme board, with staff (executive, non-executive, teaching and support) and student representatives to develop partnership-wide options for change. The programme board is charged with gathering evidence and making detailed recommendations to the assembly for consideration by academic partner boards and the university court.

The programme board has been meeting monthly since November 2018 and has formed four working groups from its membership:

- Financial sustainability and efficiency
- Staff development and progress
- Student equivalence and experience
- Governance and accountability

The programme board offers us a new way to view, debate and solve our collective problems. It illuminates a partnership approach that can cut through some of the existing issues in our current ways of working. It can be a testbed for trying new things and commissioning appropriate groups to take change initiatives forward with agreed targets for success.

5. Cultural change and the future

The programme board has also determined that we need to create a culture across the whole organisation that clearly recognises the need and benefits of change. We have acknowledged this need for some time but, like other initiatives, have been unable to move forward in this respect

I understand why there will be resistance to change. People will be sceptical, concerned or meditative about the need for change and the impact on them. Our earlier efforts and failures to change have decreased confidence that change is possible. There is also a level of frustration that, as leaders of this partnership, we have not been able to make meaningful change at the pace required.

We are at a point in our evolution where our development needs to be predicated on a strong and open partnership-wide culture with students at the centre. This will help us to maintain focus on our mission. It will help us share our risks and decision-making in an environment where discussion is stimulated and not criticised, where different views are welcomed and debated, but ultimately where progress can be made through consensus.

This cultural change is just as important as any specific initiative for change. The programme board will seek to operate within this culture but will also aim to promote that culture more widely. The initial recommendations from the working groups will only represent a starting point; many more evidence-based recommendations will need to follow, and in due course include proposals for change in more challenging areas. These initial stages need to be the start of how our partnership reflects, formulates and progresses its options for change. We want this to blossom across future work.

There may be a sense of frustration that we are not doing more, quicker. However, these initial steps need to create the 'headroom', financially and culturally, to launch and facilitate a larger programme of change over the next few years.

6. How programme board formed its recommendations

The four working groups have approached their task with the same brief: to bring forward an evidence-based case for change with a degree of prioritisation in their respective areas. They are currently at different stages in their deliberations. All groups have identified issues with gathering, sharing and analysing partnership-wide data and with securing the staff resource to gather and analyse that data and take forward any agreed initiatives.

The student group is compiling a survey to gather more information, due for distribution in the new academic year. The staff group has carried out a comprehensive survey of attitudes and aspirations of staff and we hope the analysis of this will stimulate a number of work streams. The finance group has identified a number of immediate initiatives that could not only help with efficiency and financial saving but also drive developments and income through allowing effective use of our shared resource. The governance group have concluded that many of our issues result from a lack of clarity around how our partnership operates and the balances between local and regional, individual academic partner and partnership, and academic partners and executive office and need to explore how this can be resolved.

The board has received clear feedback that it is important that we do not duplicate effort, but contextualise the work of the programme board with other ongoing partnership initiatives and ensure coherence with existing governance structures. Examples include the branding project, the emerging internationalisation strategy, or the single further education policy environment. The next phase of our work will ensure this happens, linking existing projects with the programme for change wherever appropriate.

It is also essential that recommendations are set out in a positive context and at the right level of detail and expectation, with clear timelines, milestones and success criteria.

7. The role of governors and what the programme board is asking for at this stage
When we formed the programme board, we committed to bringing proposals to you for your consideration. I am also conscious that, as governors, you should be particularly concerned with strategic direction and not operational matters.

At this stage, I have two specific requests for your consideration and approval:

For your strategic approval to release some capacity from your staff to work collectively on a number of projects/developments which can progress impactful change.

Practical examples of this emerging from working group proposals would be:

- a task group, or groups, to look at our recruitment, marketing, admissions and communications resource to improve joint working and maximising the impact of collective resource.
- a structured approach to considering how consolidation of HR systems and policies, could assist with staff development, recruitment and retention, and a greater equivalence of staff experience across the partnership.

For your approval to release information to enable detailed examination of potential savings and increased impact to be gained by working collectively. This will include financial and staff information.

Practical examples emerging from working group proposals would be:

- the examination of financial reporting procedures and how we can improve financial transparency at the level of specific service or curriculum areas to inform review and measure the impact of any changes;
- supporting a joint approach to international student recruitment, with clear financial targets, to maximise financial gain; and
- in parallel with greater financial efficiency and income generation, both a and b above, logically lead to:
 - the need to review resource allocation models operating within the partnership and be open to change in these, and
 - the need to consider our approaches to targeting investment and measuring financial benefit and other added value accrued from investments.

8. Timeline

I take up my interim position as principal and vice-chancellor on 1 August. I am committed to progressing the initial recommendations from the working groups over the period of my tenure, with a view to completing and delivering on the majority of these before the start of the 2020/21 academic year.

Through my commitment, I hope to instil an ongoing mechanism for progressing change in our partnership and engendering a culture that makes these changes possible. I need your strategic commitment and support to do this.

Professor Crichton Lang
Chair of the Programme Board
June 2019

Appendix - working group progress and recommendations

The detail from the working groups and the programme board is shared online and we will continue to run assembly events throughout the next academic year. The programme board will publish a detailed timeline for next academic year shortly so that we can monitor and assess progress to deliver the changes.

The working groups have been considering the evidence base in their respective areas and are at different stages in their considerations. A short overview of their progress is noted below, with next steps and recommendations highlighted.

Student equivalence and experience working group: progress and next steps

The student group identified a lack of clarity and evidence in how student equivalence is understood and measured across the partnership. They have developed a robust methodology to produce a partnership-wide survey to test existing equivalence across all aspects of the student experience.

- They will hold student focus groups at the beginning of the next academic year to help finalise the survey questions and format. The survey will be distributed to students, alumni, and a representative range of internal and external stakeholders. The data from the survey will be analysed and will help set ongoing priorities for change.

Staff development and progression working group: progress and initial recommendations

There is a considerable body of work generated by staff focussing on the challenges that they experience within our partnership. This includes the opportunities for development and progression, the different terms and conditions across the partnership, and the applicability of those to the further education and higher education areas of operation.

The staff group developed and distributed a survey, which was completed by 30% of staff from across the partnership.

- The full analysis of the survey is ongoing and they hope to report by the end of July.

This will provide a significant body of evidence that all the working groups and the programme board will build into their areas of work.

Two areas that the staff group have identified recommendations for early discussion and exploration with colleagues are:

Consolidation of human resources systems and staff - rather than 'shared services'. The working group proposes an exploration of the consolidation of HR systems and policies for all academic partners and executive office. In addition, exploration of the drawing together of HR staff from some academic partners and executive office into a single HR department or distributed team to improve our ability to make agreed changes across the entire staff cohort.

A new coordinating HR development role: "occupational design/human resources change coordinator". The working group is proposing an exploration of the establishment of a specific resource to work with HR colleagues and others across the partnership. This resource would develop and manage implementation plans to progress the recommendations above, and additional recommendations that may arise from further analysis of the staff survey data. This resource would also ensure that HR implications of any aspect of change that the programme board develops are considered and managed effectively.

Financial sustainability and accountability working group: initial recommendations

Despite working with incomplete financial data, the finance group identified that there are opportunities to reduce duplication and improve income generation and financial processes to promote long-term financial sustainability. Initial recommendations to address these challenges are:

- creating robust financial reporting procedures to ensure that detailed and timely financial data is available to inform review of all service and curriculum areas across our collective activities. This aims to improve clarity regarding what executive office delivers, in parallel with analysis at a functional level across the whole partnership.
- a review of recruitment, admissions, marketing and communications functions.
- ensuring the internationalisation project progresses to agreed timelines and outcomes, and using this as a case study of new collective approaches to investment and optimising income.
- monitoring strategic planning to reduce deficit and increase occupancy of student residences, and using this as a case study of collective approaches to managing financial risk.
- analysing the direct and indirect costs of running governance and senior executive structures and then setting appropriate financial efficiency targets.
- reviewing the resource allocation model (RAM and microRAM) to support improved sustainability and growth of our curriculum at all locations.

Governance group: next steps

The main conclusion the group has drawn is that there is a lack of clarity around some of the fundamental principles of how the partnership operates. This has a direct impact on the ability of the partnership to make difficult decisions and hold all partners to account for the delivery of local, regional and support service provision.

The group has observed that while there is a good level of agreement about what the issues are, there is significant variance in opinion on why the issues exist and how they should be addressed. This picture is complicated by the perceptions that people hold of the different elements that make up the partnership.

The group intends to work over the summer and early autumn with Principals, senior colleagues and key internal and external stakeholder groups to develop workable proposals that address the challenges inherent in our decision-making, accountability and governance arrangements. The discussions will focus on:

- clarity in the authority of decision making at both a regional and local level, and definitions of autonomy within this.
- the performance management framework that holds partners to account and the extent of its reach.
- defining lines of responsibility and accountability and working within these where partnership decisions have been taken.
- the extent to which the partnership will rely on collaboration as opposed to direction.
- The outputs from the staff survey.
- proposed changes to operational management structures to ensure successful implementation and collaboration.
- the shape and extent of any necessary governance changes to ensure successful implementation and oversight.

The working group will present the outcomes from these discussions to the Assembly in October 2019.

HISA and colleagues across the university did a great job in promoting the awards again this year and we received **a record total of 506 detailed nominations** for a total of **270 staff/students**.

All of the winners, highly commended and nominated staff and students received their nomination comments today and, as ever, the reaction from recipients has been hugely positive. This is a powerful and affirming annual process.

For information, the winners of the awards this year are:

Most Inspiring Lecturer

Marina Finlayson – West Highland College UHI

Most Engaging VC Lecturer

Rachael Hathaway – Argyll College UHI

Most Engaging Online Tutor

Dr Cameron Stark – Lews Castle College UHI

Best Assessment Feedback

Elizabeth McFarlane - Argyll College UHI

Best PAT/Learning Support

Dr Suki Haider - Moray College UHI

Best Research or Dissertation Supervisor

Matt Sillars – Inverness College UHI

Best Support Staff

Christine Blyth – West Highland College UHI

Best Class Rep

Solomon Azulay – West Highland College UHI

Most Inspiring Student

Rebecca Poyner – Moray College UHI

HISA Society of the Year

Shetland Students' Green Team – Shetland College UHI/NAFC Marine Centre UHI

HISA Sports Club of the Year

UHI Wind and Wave Club – SAMS UHI

It is wonderful to see such a geographic spread of winners. We will be sending out certificates to the winners and highly commended people in due course and HISA plan to present the trophies to the winners at the graduation ceremonies as usual. HISA are running a pilot award scheme at Argyll College UHI this year and are dealing with administration of the award locally.