

Shetland College Board**Auditorium, Shetland Museum and Archives, Lerwick****Thursday 9 March 2017 at 3.30pm****Present:**

P Campbell	A Carter
G Cleaver	S Collins
G Smith	V Wishart

Apologies:

T Smith	A Wishart
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In attendance (Officers):

N Grant, Director – Development Services
D Bell, Executive Manager – Human Resources
W Shannon, Interim Joint Principal
A Glen, Vice Principal – Teaching and Learning
K Adam, Solicitor
C Anderson, Senior Communications Officer
T Coutts, Business Development and Training Manager
D Evans, Human Resources Adviser
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

Mr Collins declared an interest as a Trustee of Shetland Fisheries Training Centre Trust (SFTCT).

Minutes

The Committee approved the minutes of the meeting held on 9 February 2017 on the motion of Ms Wishart, seconded by Mr Smith.

05/17 Development Services Directorate Performance Report

The Board considered a report by the Director of Development Services (DV-18-17) which highlighted progress against priorities from the Council's Corporate Plan by the Development Services Directorate.

The Director of Development Services summarised the main terms of the report, highlighting in particular the positive outputs in terms of quality and numbers. However it was extremely important that the Shetland Tertiary Education Research and Training Project progressed to the implementation stage, otherwise there was a significant risk of undoing this good work.

The Vice Principal – Teaching and Learning added that activity numbers were extremely high and looking positive for the forthcoming academic year, but overtrading was already taking place. Responding to questions, he advised that there had already been 28 applications for the construction course, so there were capacity issues and it may be necessary to run a double class. However it was early days, and the applicants still had to be interviewed. The Skills for Work programme was for secondary school pupils only – mostly S3 and S4.

The Business Development and Training Manager advised that it was projected there would be 46 Modern Apprentices by 31 March. The total contracted volume of new starts was 51, and there would be a number of new starts on 1 April. The number of courses provided to meet industry demand was likely to be over target, and the figures did not include courses provided for SIC workforce development. More accreditations had been added to the number of professional examinations that could be delivered, and this would be of benefit to local industry as they would not have to send people to the mainland to sit examinations. Train Shetland made a small charge for invigilating exams, so it was also an income generator.

In response to a query, he advised that the financial position was looking healthy for next year in respect of rural uplift payments. Since the last meeting, Skills Development Scotland (SDS) had changed their stance regarding the methodology used for travel and accommodation, and it would be continued as it was at present for 2017/18. It was important to keep discussions going as there had been no commitment to retaining the methodology for 2018/19. There had been some discussion regarding how to best use the rural uplift funding to build capacity locally. Rural uplift payments were targeted to selected areas of Scotland, and payments were based on milestones being achieved. Engineering and construction apprentices attracted the full payment.

It was commented that the value of Train Shetland to the Shetland economy could not be underestimated, and that the successful conclusion of discussions that had taken place with SDS regarding travel and accommodation payments should be noted. As well as encouraging positive choices for school leavers, the levels of achievement were high in comparison with the rest of the country.

Decision:

The Board discussed the contents of the report as appropriate to their remit, and made comments on progress against priorities to inform further activity within the remainder of this year, and the planning process for next and future years.

06/17

Development Services Directorate Plan 2017-20

The Board considered a report by the Director of Development Services (DV-02-17-F) which set out the strategic action to be taken to deliver the Council's Corporate Plan and Medium Term Financial Plan.

The Director of Development Services summarised the main terms of the report, advising that the one of the key actions was to attract people to Shetland to live and work and the provision of college infrastructure would assist with this. Some work was taking place regarding the key performance indicators in respect of Modern Apprentices, as it was felt that they did not properly reflect outcomes.

Responding to questions, the Director of Development Services said that the provision of student accommodation was an important element, and UHI were still

looking at ways of providing student accommodation in Shetland. If UHI abandoned its plans to do so, the Council would have to consider the best way to create student accommodation locally. He also advised that a government paper had been produced regarding Modern Apprenticeship levies, and it would be important to research this carefully in order to access funding.

It was suggested that as demographics were changing and the population was getting older, consideration could be given to exploring opportunities for developing the older workforce.

The Vice Principal – Teaching and Learning advised that SDS structured its funding towards young people, but certain industries were actively seeking older people. Any funding available would be explored to develop this.

Decision:

The Board reviewed, commented on, and endorsed the Directorate Plan, recognising that the Director of Development Services would make any adjustments required to ensure it is fully aligned with the final version of the Council's Corporate Plan approved by the Council.

07/17 **Management Accounts for Shetland College Board: 2016/17 – Projected Outturn at Quarter 3**

The Board considered a report by the Executive Manager – Finance (F-022-F) which reviewed the Management Accounts showing the projected outturn position at Quarter 3.

The Management Accountant summarised the main terms of the report, advising that the projected revenue outturn position was an underspend of £10,000, and the contribution from the Council to balance the Shetland College budget was projected to be £838,000.

In response to a query, she advised that there had been an underspend in the financial year 2015/16, largely to do with hardship funding, but there had not been an underspend for several years prior to that.

The Director of Development Services added that as there were different timeframes when course credits were paid over, it could be difficult to make proper projections.

Decision:

The Board reviewed the Management Accounts showing the projected outturn position at Quarter 3.

08/17 **Shetland College Accounts – 2015/16 Academic Year**

The Board considered a report by the Executive Manager – Finance (F-0230F) which presented the Annual Accounts for Shetland College for the period 1 August 2015 to 31 July 2016, as presented to UHI and the Scottish Funding Council in February 2017.

The Management Accountant summarised the main terms of the report, advising that the accounts did not include Train Shetland. The accounts illustrated that the Shetland College reserve had increased to £108,000, as a result of a surplus of £43,000. The main difference between the two accounting periods – financial year and academic year – related to the inclusion of hardship funding. The remaining variances were a result of timing inflows and outflows of money.

In response to a query, she advised that this was the first year in some time there had been a surplus. The reserve was not a huge sum of money and Finance Services would be looking to keep it steady. At the beginning of each financial year, services had the opportunity to carry forward funding. The academic year surplus had tended to go down rather than up, so had always been required to meet the deficit.

Decision:

The Board noted the Annual Accounts for Shetland College for the period 1 August 2015 to 31 July 2016.

09/17

Tertiary Education Student Enrolments Update

The Board considered a report by the Vice Principal – Teaching and Learning (SCB-126-F) which outlined the current position in relation to FE and HE enrolments for the academic session 2016/17.

The Vice Principal – Teaching and Learning summarised the main terms of the report, advising that the College was already in a position of overtrading and any FE activity between now and July would not get paid for in credits, only in course fees. It was essential to get more credits, and approaches were being made to secure an increase in credits. Another disadvantage was that there were a number of new ideas for growth and there was capacity available to deliver these, but they would not be viable without additional credits being made available.

In response to queries, the Vice Principal – Teaching and Learning and the Interim Joint Principal advised that a number of approaches had been made regarding securing additional credits. There were some bigger colleges that were not meeting their targets, so there was a good argument to secure some funding. The UHI had been asked to make an adjustment this academic year in terms of what was being delivered locally and the growth that had taken place, and the barriers to future growth had been highlighted. However it was important that this was not just a one-off adjustment and that it should be ongoing.

It was questioned if any analysis had been done in terms of the balance between course fees and the cost of delivery for what was being delivered above target, as this may help in the arguments to secure an increase in funding and to pursue course development.

The Vice Principal – Teaching and Learning advised that this analysis was being carried out. For some courses being run there were no course fees – for example, the Skills for Work programme. There had been some positive initial conversations that recognised that there was a need to cover costs. Every element was being considered in terms of future course development and how to access additional funding to cover this.

Decision:

The Board noted the current position in relation to FE and HE enrolments at this stage in the academic session 2016/17, and that regular updates would be provided throughout the remainder of the session.

In order to avoid the disclosure of exempt information, Mr Campbell moved, Mr Cleaver seconded, and the Board agreed to exclude the public in terms of the relevant legislation during consideration of the following items of business.

10/17 **Shetland Tertiary Sector 2nd Tier Management Proposal**

The Board considered a report by the Interim Joint Principal which presented an update on the further actions required to achieve a decision on the Shetland Tertiary Sector 2nd Tier Management Structure, and for implementation of that decision.

The Interim Joint Principal then summarised the main terms of the report, advising that completion rates and activity levels were excellent, but that management capacity was an issue that had been flagged up by HM Inspectors. The priority was to get the second tier management structure in place and he outlined the proposals for moving forward and responded to questions from the Board.

Mr Smith referred to the importance of decision-making taking place during the term of the current Council in order not to delay the process further, and suggested that the Board note the proposals and options being considered in the appendix, and require that a further report or reports be presented to the various relevant Committees within the lifetime of this Council for decision-making on the proposals for the Shetland tertiary sector second tier management structure.

The Board agreed.

Decision:

The Board noted the proposals and options being considered in the appendix, and required that a further report or reports be presented to the various relevant Committees within the lifetime of this Council for decision-making on the proposals for the Shetland tertiary sector second tier management structure.

11/17 **EIS/FELA NRPA Shadowing and Pay Claim**

The Board considered a report by the Director of Development Services which outlined the work that had taken place into the implications of becoming signatories to the national Recognition and Procedures Agreement (nRPA) and shadowing the nRPA, and sought a decision in relation to the 2016/17 pay increase for lecturers.

The Director of Development Services summarised the main terms of the report and outlined the views of the College Lecturers JCC/JNC which had met prior to this meeting.

The Human Resources Adviser outlined the work that had taken place since the last meeting and the implications for the Council.

Mr Smith, Chair of the College Lecturers' JCC/JNC, advised of the conclusion of the JCC/JNC.

Mr Cleaver moved that the Board recommend to the Policy and Resources Committee that the 1% SJC pay award be applied to lecturers for 2016/17, as had been applied to Single Status staff.

Mr Smith seconded.

Decision:

The Board noted the recommendation in the report, and recommended to the Policy and Resources Committee that the 1% SJC pay award be applied to lecturers for 2016/17 (the same that was applied for Single Status staff).

The meeting concluded at 4.55pm.