

**Shetland College Board****Council Chamber, Town Hall, Lerwick****Tuesday 5 December 2017 at 10.00am****Present:**

P Campbell                      E Macdonald  
A Priest                          G Smith  
T Smith

**Apologies:**

B Wishart

**In attendance (Officers):**

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

Also:

M Devenney, Consultant

**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 5 October 2017 on the motion of Mr T Smith, seconded by Mr Campbell.

29/17    **Development Services Directorate Performance Report – Six Month/Second Quarter 2017/18**

The Board considered a report by the Director of Development Services (DV-53-17-F) summarising the activity and performance of the Development Directorate for the second quarter of 2017/18.

The Director of Development Services summarised the main terms of the report, highlighting the activity that had taken place over the last quarter. He referred in particular to work that was currently being done on the Area Skills Investment Plan, which was an important piece of work that, along with evidence gathered from

employers, would help evidence the key skills that the community was looking for. He went on to say that the business case for a merger of Shetland College, Train Shetland and the NAFC, was currently being worked up, and it should be presented to the Board in February 2018.

It was commented that the “10 Year Plan to Attract People to Live, Study, Work and Invest in Shetland” had very ambitious targets in relation to the college sector, and it was questioned how it was intended to achieve these given financial pressures and lack of student accommodation. Even without taking other factors into consideration, it was difficult to see how the College could afford to grow its student population by 20% financially, and concern was expressed regarding putting these ambitious targets into the public domain without any real consideration of how they would be achieved.

The Director of Development Services explained that the targets that had been set would require an increase in the number of young people in Shetland. In terms of Modern Apprentices, the Council was working on its Workforce Development Plan to try and increase the take-up rate of Modern Apprenticeships, which would attract Modern Apprentice levies back into the organisation to fund them. Increasing the number of FE and HE courses would be limited if it was not possible to provide accommodation and, at the moment, there was no effective accommodation position. Work was still being carried out with UHI to find an acceptable financial position to fund student accommodation in Lerwick. The main way to achieve an increase in the student population would be to attract more people into Shetland to live and work, but this also required more housing to be provided.

He went on to say a number of organisations had been involved in setting the targets laid out in the 10 Year Plan, and they had been set using information that was available to them. There was more work required to be done that would fit into this, such as the area skills investment plan and joint curriculum planning, and there was a need for the College to be more involved in the work streams. The targets that had been set were challenging, and the next step would be to include the evidence gathered from the area skills investment plan. It was important that the plan was flexible in order that there was ability to react to opportunity, and an evidence-based approach would be used to develop the curriculum to meet local needs.

Responding to a comment regarding the potential for using the hostel accommodation at the old Anderson High School as an accommodation block, the Director of Development Services advised that this matter had been raised with UHI. However the position to date was that UHI had an agreement with Citiheart, and a programme based on new builds. The situation was stuck at the moment as it had not been possible to find an investor locally, and if there was a desire to reuse the accommodation blocks, it was likely that this was something the Council would have to sort out itself.

**Decision:**

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

The Board considered a report by the Executive Manager – Finance (F-82-F) which reviewed the Management Accounts showing the projected outturn position for the second quarter of 2017/18.

The Management Accountant summarised the main terms of the report, advising that the projected outturn position at Quarter 2 was an underspend of £70,000. Provision of £8,000 had been made from the cost pressure/contingency budget to meet pay inflation and pension increases, and there were a number of financial risks that had been identified which could have an impact. She highlighted in particular the change in the Further Education funding element from a flat rate to a weighted rate per credit, which could impact on the total level of grant funding received. There were some projected underspends which largely related to the implementation of the temporary management structure.

In response to queries, she confirmed that the College had two income-generating units – the textile unit and the College canteen. The textile unit had been through a period of instability due to staffing issues, so there had been reduced capacity to generate income. However she understood vacancies had been filled and a review was underway to ensure that the unit could meet the needs of industry.

It was requested that further information be included in the next report regarding income-generating activity, and how the income-generating units were performing.

**Decision:**

The Board reviewed the Management Accounts showing the projected outturn position at Quarter 2.

31/17 **Principal's Update**

The Board considered a report by the Interim Joint Principal (SCB136-F) which provided an update on a range of issues of interest and importance to Shetland College and the tertiary sector in Shetland.

The Interim Joint Principal summarised the main terms of the report, highlighting in particular that the business case for the tertiary sector would be presented to the Board at its meeting on 9 February, and also to the NAFC Board. The Operational Plan had been the subject of discussion by the senior management teams across the sector, and was being presented for approval. He paid tribute to the staff involved in the production of the College's Evaluation Report and Enhancement Plan which had been submitted to HMIE, and had attracted extremely positive comments.

It was commented that the need for the College to contribute to the "10-Year Plan to Attract People to Live, Study, Work and Invest in Shetland" was something that would require further consideration by the Board. Concern was expressed that this was something that may not be economically viable, as the type of courses required locally may be of low value in terms of the tariff they would attract under the new weighted system of credits. It would be useful if a report could be presented to the Board to illustrate how the College would be contributing to this piece of work.

The Joint Operations Manager advised that the College was currently preparing its marketing and business development plan, and some of these elements would be taken account of in this plan. In particular, it would be looking at a structure which responded to need locally, and at pricing structures and curriculum planning.

In response to a query relating to options being developed to deal with existing barriers to integration, the Director of Development Services advised that property options were currently being discussed, and specialist advice was being sought in relation to the pension issue. The work was coming together in relation to full integration, but it was likely that these issues would take a while to resolve.

It was noted that the request to become a signatory to the NRPA for College lecturers would be considered by the Employers' Association on 11 December, and the Director of Development Services undertook to notify the Board of the outcome of the request.

The Joint Managers – Train Shetland (Vocational) and Train Shetland (Short Courses) then updated the Board on recent activity.

The Board noted that the number of short courses and external exams hosted were slightly up on last year, and that more information was awaited regarding the potential impact Construction Industry Training Board (CITB) changes may have on the training offered at Train Shetland. Planning was taking place in relation the next suite of Business Gateway courses, and there had been a good uptake in relation to the business start-up courses and management master classes.

It was also noted that the number of new starts in Modern Apprenticeships had increased, and it was likely that the contract value of 53 would be met by the end of the financial year. The next round of school talks to speak to the S4 cohort about apprenticeship opportunities had now commenced, and Train Shetland was working with the Council's workforce development team to look at increasing the number of apprenticeships in future years.

The Board extended their congratulations to the two young people nominated for the Scottish Apprenticeship Awards.

The Director of Development Services advised he had met with Train Shetland to discuss some of the issues that had arisen as a result of Council staff being temporarily located in Train Shetland's premises. This was having an impact on Train Shetland's ability to develop new courses due to accommodation issues.

In response to queries, the Joint Manager – Train Shetland (Short Courses) advised that it was hoped for a successful conclusion to the issues that had arisen in relation to CITB training, and it was hoped to source more trainers locally. The Joint Manager – Train Shetland (Vocational Training) confirmed that apprenticeships were usually over-subscribed, particularly in the engineering sector. Some sectors were more over-subscribed than others and the demand tended to be cyclical. The automotive, construction, and hairdressing sectors tended to be the sectors that had to send trainees outwith Shetland to fulfil some of their training requirements.

The Interim Joint Principal then introduced Mike Devenney, to the meeting to speak about the work he had been overseeing in relation to the College Board Self-Evaluation and External Effectiveness Review, and the matrix that had been produced locally.

Mr Devenney outlined the background to the Review, advising that it was important that the Board undertook its own population of the self-evaluation matrix that had been produced before the end of the year, and a workshop would be arranged in order to do so. He appreciated that it was more difficult locally given that the College was not an incorporated college, but it was still relevant and important that it was carried out. It

was hoped to correspond with Board members again when the Self-Evaluation and External Effectiveness reviews had been completed, and then the Board would be presented with a report to determine if it was happy with what had been produced.

It was suggested that more consideration could be given to appropriate mechanisms for engaging and consulting with staff as part of the Self-Evaluation and External Effectiveness reviews.

**Decision:**

The Board noted the content of the report and approved the Operational Plan for the tertiary sector and the Board Self-Evaluation.

32/17 **Tertiary Education Student Enrolments Update – November 2017**

The Board considered a report by the Depute Principal (SCB137-F) which outlined the current position in relation to FE and HE enrolments for the academic session 2016/17.

The Joint Operations Manager summarised the main terms of the report, advising that it was anticipated that overall credit targets would be achieved. It was not possible to tell at this stage if the College would be in a position of overtrading, and there were still a number of enrolments to come through before the end of the academic year. The fact that there were a lot of positive destinations locally for school leavers had an impact on FE figures, and a lot of FE students had gone on to HE. Work had commenced to meet with school leavers and raise awareness of what was available at the College. From the work that had been carried out in schools, it was clear that there were some new areas of demand. These would be taken into account along with industry requirements when considering what should be offered in future.

**Decision:**

The Board noted the current position in relation to FE and HE enrolments for academic session 2017/18.

The meeting concluded at 11.25am.

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Chair