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Date: 23 August 2019

Dear Sir/Madam

You are invited to the following meeting:

Shetland College Board
Council Chamber, Town Hall, Lerwick
Wednesday 28 August 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 July 2019 (enclosed).

ITEM

1. Development Directorate Performance Report 2018/19
DV-09-19
2. Development Services Directorate Plan 2019-2022
DV-10-19
3. Shetland College Principal's Update
SCB-148
4. College Merger Update
DV-24-19



(d)

Shetland Islands Council

A&B - Public

MINUTES

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

Present:

P Campbell	E Macdonald
A Priest	G Smith
T Smith	B Wishart

Apologies:

None

In attendance (Officers):

N Grant, Director – Development Services
K Adam, Solicitor
S Berry, Depute Principal
R Gillies, Operations Manager
J Thomason, Management Accountant
L Geddes, Committee Officer

Also:

R Campbell, UHI Project Manager

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 1 May 2019 on the motion of Ms Wishart, seconded by Ms Macdonald.

07/19 **Shetland College Principal's Update**

The Board considered a report by the Interim Joint Principal (SCB-147-F) which provided an update on activity across the tertiary sector in Shetland.

UHI Programme Board

The Chair noted that the Board was being asked to approve a request for support from the UHI Programme Board with regard to the Colleges merger. He was hopeful that staff could be released as

appropriate, with a caveat that they should not be put under pressure in terms of the creation of the new entity at a local level.

The Depute Principal advised that staff had been asked if they would like to participate, and their participation would depend on capacity. It was important that their voice was heard, so they would participate where they could, and no additional pressure would be put on them to do so.

In response to a question, the UHI Project Manager advised that staff had indicated to her that they felt they needed to be informed and involved in the process, and this would be reflected in the work going forward. The approach so far had been to ask every staff group for a small amount of time so that they could share ideas about what would be sustainable, scope for growth in the future, and also scope for increasing income. It was important to note that staff time and Council time was currently spent on a range of functions – such as finance, human resources, marketing, administration, engagement – which would require to be done in an independent college. How this would be done in a new entity would require a lot of consideration, but the current time pressure for staff in these areas was where most change was anticipated.

It was commented that staff should be supported to be as involved as they could in terms of moving the UHI agenda forward, but it was important to take cognisance of other pressures on them. The governance and relationship between partners was an issue that had been discussed for some time over the years in UHI and never been resolved. Attempts were being made to establish a definitive position, and all partners would be involved.

The Board agreed to the Chair's suggestion with regard to the release of staff.

Scotland's Colleges 2019

The Board noted that Shetland had the highest attainment and retention rates and, by far, the highest rate for positive destinations, and congratulated staff and students in achieving this position.

HISA Awards 2019

The Board congratulated the Students Green Team – Shetland College UHI and NAFC Marine Centre UHI for being awarded HISA Society of the Year.

The UHI Project Manager then gave an update on the merger, advising that there had been two Shadow Board meetings since she had come into post. With regard to governance, there had now been a significant development as a number of non-executive members with a wide range of experience had now joined the Shadow Board. A lot of work had been done to engage with staff, and they had shared their vision for the future in terms of sustainability and growth.

This had been a very useful piece of work, particularly as there were a number of specialist areas of work.

She went on to say that the next steps for her would be to focus on areas of the business case for Council and NAFC approval – particularly in relation to finance, growth and efficiencies. This would be done in a staged approach so that stakeholders could see how things were shaping up. A final business case would need to be submitted to Scottish Ministers by September/October, and the target vesting date was early 2020.

In response to a question, she advised that she understood that the business case would require to be agreed by all major stakeholders before it could be submitted.

The Chair added that while the Shadow Board was in place, it was his understanding that all major decisions would have to be approved by the College Board and the NAFC Trustees.

Before the meeting concluded, the Chair advised that shortlisting had now taken place for a new Principal Designate, and interviews would take place later this week. He also advised that this would have been the last meeting for the Interim Joint Principal – Mr Shannon. He had been unable to attend today's meeting, but on behalf of the Board, he expressed thanks to Mr Shannon for his work since taking up the role of Interim Joint Principal.

Decision:

The Shetland College Board:

- NOTED the content of the report and commented, in relation to the request for support for the UHI Programme Board, that staff should be released but with the caveat that they should not be put under pressure in terms of the creation of a new entity at local level.

The meeting concluded at 10.30am.

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Chair



Meeting(s):	Development Committee Shetland College Board Environment and Transport Committee	1 July 2019 28 August 2019 4 September 2019
Report Title:	Development Directorate Performance Report - 2018/19	
Reference Number:	DV-09-19-F	
Author / Job Title:	Neil Grant - Director of Development Services	

1.0 Decisions / Action Required:

- 1.1 The Development Committee should discuss the contents of this report and make any relevant comments on the achievements of the Directorate during 2018/19, progress against the priorities set out in the Directorate Plan and contribute to the planning process for future years.

2.0 High Level Summary:

- 2.1 This report summarises the activity and performance of the Development Directorate for 2018/19, enabling Members to analyse its performance against the Directorate's Service objectives and the Corporate Plan outcomes.

3.0 Corporate Priorities and Joint Working:

- 3.1 Effective Planning and Performance Management are key aspects of Best Value and features of "Our Plan", the Council's Corporate Plan 2016-2020.
- Our performance as an organisation will be managed effectively, with high standards being applied to the performance of staff and services. Poor performance will be dealt with, and good service performance will be highlighted and shared.

4.0 Key Issues:

- 4.1 The Directorate's objectives as detailed in the Directorate Plan are the outcomes the Directorate aims to deliver in the year. We said "**what we must do in 2018/19**" was:

PARTICIPATION

- Support implementation of all parts of the Community Empowerment Act. In relation to Part 2 – Shetland's Partnership Plan, Governance, and Delivery Plans.
- Enable a 10 year plan to attract people to Shetland to live, work, study and invest in Shetland.

- Develop a shared policy approach and arrangements in relation to resilient rural communities. E.g. Islands with small populations.
- Continue to develop the Council's approach to Community Choices/Participatory Budgeting.

PLACE

- Enable development to happen
 - Consider policy implications in response to the National Review of Planning
 - Develop a new Local Development Plan (LDP2)
 - Develop a Master Plan for the Knab site
- Increase the supply of housing across all tenures
 - Develop refreshed Local Housing Strategy
 - Deliver supply target of affordable housing through the Strategic Housing Investment Plan (SHIP)
 - Investigate incentives and initiatives to increase supply of affordable homes
 - Assist communities to develop bespoke housing solutions
 - Encourage appropriate private development
 - Work in partnership with developers, builders and allied trades, and utilities to deliver new build housing targets
- Support for local businesses and entrepreneurs
 - Work with partners to achieve a strong Islands Deal
 - Proactively research Brexit opportunities, risks and scenarios
 - Provide commercial lending and grant support funding to local businesses
- Develop Shetland's Skilled Workforce
 - Deliver a sustainable model for Tertiary Education Training and Research
 - Establish Shetland's unique selling points for attracting students to study in Shetland
 - Provision of Student and Key Worker Accommodation
 - Increase the level of school pupil interest in STEM subjects, and entrepreneurship, to influence career choices and gender balance of Shetland's young workforce.
 - Further increase the number of Modern Apprentices.
 - Access funding programmes and opportunities brought about by the Modern Apprenticeship Levy.
- Achieve High Speed Broadband and mobile coverage throughout Shetland.
 - Influence Scottish Government R100 programme, reaching 100% by 2021.
 - Progress opportunities to extend local networks, using external funding, and where there is a business case justification.
- Achieve sustainable and affordable internal and external transport links
 - Inter-Island transport service provision, including fair funding of Ferries and internal air services.
 - Influence External Transport provision, new North Isles Ferry Contracts, fares and charging structures

- Develop and promote internal transport networks including new public bus services
- Work with stakeholders to develop a system of fares within internal transport services which help to address inequalities

At the same time we will continue to:

- reliably and safely deliver our day to day services that meet the needs of our customers;
- meet our statutory requirements and deliver compliant services;
- deliver our objectives to ensure the Corporate Plan commitments are met;
- maintain our existing assets;
- protect the environment and reduce the environmental impact of our activities;
- address inequality- supporting those most in need and not making inequalities worse;
- provide best value for the public funds invested in our services.

Directorate Achievements in 2018/19

4.2 During 2018/19 the Development Directorate achieved the following:

- **Shetland's Partnership Plan 2018-28**, has been adopted by all Schedule 1 community planning partners and the Plan was launched in August 2018. A draft Delivery Plan has been developed for the four priorities: PARTICIPATION, PEOPLE, PLACE, and MONEY, with planned stakeholder sign off in June 2019.
- **Community Asset Transfer:** South Nesting, transfer of the old school, is an exemplar project from both a community and Council perspective.
- **Islands with Small Populations:** Continue to work with the islands with small populations to develop better coordination of public support services and alignment to achieving community plans.
- **'Building for the Future in Shetland':** structured engagement with housing developers, building companies and agents to enable new build housing is progressing, with workshops on agreed priorities, Procurement, Skilled Workforce and Business Development and Support having taken place. The Developing Young Workforce group are helping to connect the building sector with schools and the future young workforce. However, a shortage of Planning Officers is creating backlogs in Planning. Special effort is being applied to recruit and backfill Planning posts, supported by Corporate Services and good progress has been made with 4 successful recruitments. The Service has in the meantime kept regular dialogue with developers and effectively managed the backlog and other workloads. The backlog of planning applications is now significantly reducing.
- **'Strategic Housing Investment Plan':** Current 5 year funded plan to build 316 new affordable homes in the next 5 years
- **Local Development Plan (LDP)** – Call for sites and adverts for submission of interest have been published and will run for a period of 6 months. Further promotion will be done during this period. A detailed report on LDP progress was submitted to the Development Committee on 5 March 2019.

- **Knab Site Masterplan:** The draft Masterplan for the site has gone through public consultation, and was presented to the Development Committee and Council on 11 June 2019. The Masterplan has now been adopted as planning guidance with a condition to further engage local residents on traffic flow and parking issues.
- **Scalloway Making Places Project** has achieved very good community engagement and will help to establish the community priorities and how they can be achieved in future place and service plans. This will ultimately contribute to planning policy for the area.
- **Islands Deal** proposal is being developed, based on attracting young people to the islands to live, work, study. A final version of the Islands Deal is being prepared and is planned to be presented to committee in the September 2019 cycle.
- **Shetland 600MW Inter Connector:** Engagement with UK Government, Ofgem, National Grid, and SE Networks towards a commitment of providing a 600MW link.
- **Shetland Space Centre Project:** Development services are currently engaging with Shetland Space Centre Ltd, HIE, UK Space Agency and other key private sector stakeholders to identify how this very significant opportunity can best be supported and facilitated by the Council.
- **Colleges Merger:** The Full Business Case was approved in December 2018. Implementation under UHI project management resource is progressing. The Shadow Board which will oversee the formation of the new College is currently being recruited to. The Principal Designate post is also currently going through the recruitment process.
- **Developing the Young Workforce (DYW):** Work with Childrens Services, Adult Care Services, Corporate and stakeholders and businesses to increase the number of modern apprentices, and relationships with Businesses, Colleges and Schools.
- **Centre for Rural Creativity:** This project is now making significant progress and is achieving notable inward investment, for local research activity, for example the 'Home and belonging project'
- **Employability Services:** service redesign completed and implemented on 1 January 2019.
- **Fair Funding of Internal Ferry Services:** Outline Business Cases are being progressed in partnership with Transport Scotland to properly identify appropriate specifications for the inter-island transport network. In the meantime, Shetland's revenue ask for 2019/20 has not been fully met in the Scottish Government Budget settlement. Peter Brett Associates have been contracted and are currently working on the Outline Business Cases (OBCs) for Fair Isle, Whalsay and the revenue options of inter-island ferry services, to be completed. Socio-economic Outline Business Cases (OBCs) have been prepared and will be presented to Council on 26 June 2019.
- **Public, School and Adult Social Care Transport:** Specification of the school, public bus network, and Social Care Transport is being developed with specialist

support from Peter Brett Associates. The project has reached Strategic Outline Case stage and is being reported during this cycle of Committee meetings.

- **Northern Isles Ferry Services:** ZetTrans officers have been facilitating consultation with Transport Scotland and local stakeholders on the specification of the new contracts which are planned to start in October 2019.
- **North Isles Fibre Network:** UK Government, DCMS funding of £2m has been awarded to build a public sector fibre network to Yell and Unst. Detailed design work is progressing and implementation is targeted for 2019/20.

4.3 Appendix A shows progress on the key projects and actions the Directorate set out to complete or substantially progress in 2018/19. Appendix B shows the Council wide indicators and the Key Directorate Indicators to enable the Committee to monitor service delivery against our performance targets and our Directorate Objectives in 4.1.

Financial Performance

4.4 The Directorate has spent £17.717m in controllable costs in the 2018/19 financial year, an overspend of £3.554m compared to the Directorate's approved budget of £14.323m. The primary driver of this overspend is the decision to cover the pension cessation costs associated with the merger of the tertiary sector in Shetland, as well as delays to the Tertiary Education Review project which means that savings anticipated from this project will not be realised in the current financial year, increased cost of providing public transport and public transport redesign costs. There is also a commitment of £161k to carry forward for service delivery in 2019/20. See appendix F for more details.

4.5 The Shetland College has spent £185k to cover all of its net costs, requiring £893k contribution from the Shetland Islands Council to do so. Train Shetland have spent £246k in controllable costs, an overspend of £110k when compared to the service's budget of £136k. See appendix G for more details.

4.6 When compared to projected overspend earlier in the year, the Director of Development has sought to mitigate the projected overspend through a combination of the following actions:

- Management of the Colleges Merger project and project funding from the Scottish Funding Council;
- Planning Service Recruitment;
- Implementation of the Review of Economic Development Services;
- Finding further efficiencies across all services;
- Sharing of project costs with Community Planning partners; and
- Pursuing commercial opportunities relating to telecoms infrastructure

4.7 Included within the service revenue budget are the following service redesign saving proposals:

- £250k – Tertiary Sector Redesign: Following the conclusion of the Full Business Case for the tertiary merger, it is anticipated that that savings will not be achieved until 2020/21. Actions being taken include prioritising this project to ensure that it can be delivered to the target vesting date of 6 January 2020; minimising costs associated with the project by obtaining funding from the Scottish Funding Council;

and seeking efficiencies across the Development Directorate over the course of the year to meet the 2018/19 shortfall.

- £40k – Promote Shetland Contract: this contract has been awarded, and savings of £33k per annum realised. Action to achieve the remaining £7k saving will be taken across all budget areas as the year progresses.

4.8 The projected contribution from the Housing Revenue Account Reserve is £1.643m, which is £354k more than budgeted. Please see appendix H for more details.

4.9 Appendices F, G and H are attached for detailed information on the Revenue and Housing Revenue Account outturn position.

Risk and Service Challenges

4.10 Performance monitoring and performance reporting must also consider the areas of risk arising from our operations, the service challenges the directorate faces, actions and projects which have not progressed as planned and where we don't meet Performance Indicator Benchmarks:

- Colleges Integration - plans are now progressing to implement the Full Business Case. The planned vesting date is 6 January 2020.
- Homelessness and Temporary Accommodation - we continue to experience significant pressure on housing stock particularly in the Lerwick area, leading to long periods in temporary accommodation.
- Islands with small populations - we are already experiencing reducing numbers in some of the communities and difficulties in meeting need for example island fire crew required for island air services. Good progress is being made in engagement with these communities to develop future plans through the Islands with Small Populations project.
- We continue to experience difficulty in recruiting to posts within the service notably Planning Service posts where there is an acute national shortage of qualified staff. The Planning Service has undertaken a successful pilot project, supported by Human Resources and Corporate Services, to recruit to vacant posts which resulted in successful recruitment to some of the vacancies.

4.11 Appendix D is an Infographic which provides the Committee with a range of statistics to show the activities and outputs of the Directorate.

4.12 The Directorate Risk Register in Appendix E sets out the strategic risks which might prevent the Directorate from achieving its objectives in 4.1. The Committee should consider whether additional control measures could be applied to reduce the risk of circumstances giving rise to a negative impact on Directorate Performance.

5.0 Exempt and/or Confidential Information:

5.1 None.

6.0 Implications:

6.1 Service Users, Patients and Communities:

Effective performance management and continuous improvement are important duties for all statutory and voluntary sector partners in maintaining appropriate services for the public. The Directorate uses customer feedback and complaint analysis to drive service change and service improvement.

6.2 Human Resources and Organisational Development:	<p>There are a number of actions in this service plan with staffing implications. Care is taken to ensure that staff are involved and informed about changes that might affect them, that HR are closely involved and that relevant Council policies are followed. Ensuring staff feel valued and supported especially through periods of challenge and change is a key consideration for the Directorate Management team.</p> <p>Recruitment continues to be an issue in some services.</p>
6.3 Equality, Diversity and Human Rights:	<p>The Directorate carries out Integrated and Equalities Impact Assessments to ensure its services are supporting those most in need and not making inequalities worse.</p> <p>There are some recent examples of best practice within the Service; for example, the ZetTrans pilot which has enabled at least 7 people to move into employment, without cost to any public service.</p>
6.4 Legal:	The Directorate delivers statutory services, monitoring performance provides assurance that statutory requirements are met and the Council complies with its duties in delivering Services.
6.5 Finance:	There are no direct financial implications arising from this report. The actions, measures and risk management described in this report have been delivered within existing approved budgets.
6.6 Assets and Property:	A number of the actions in the Directorate Plan relate to maintenance and replacement of Development and Council assets to maintain delivery of services to the people of Shetland.
6.7 ICT and New Technologies:	Limitations of the Shetland wide Broadband and Mobile networks impact on delivery of services which require remote access to digital networks and databases.
6.8 Environmental:	The Directorate works closely with Infrastructure and other Directorates to reduce energy usage and carbon emissions.
6.9 Risk Management:	<p>Embedding a culture of continuous improvement and customer focus are key aspects of the Council's improvement activity. Effective performance management is an important component of that which requires the production and consideration of these reports. Failure to deliver and embed this increases the risk of the Council working inefficiently, failing to focus on customer needs and being subject to negative external scrutiny.</p> <p>Risk management is a key component of the performance cycle and the Directorate Plan actions are determined to be priorities to manage the Directorate risks.</p>
6.10 Policy and Delegated Authority:	

	<p>The Council's Constitution – Part C - Scheme of Administration and Delegations provides in its terms of reference for Functional Committees (2.3.1 (2)) that they;</p> <p>“Monitor and review achievement of key outcomes in the Service Plans within their functional area by ensuring –</p> <p>(a) Appropriate performance measures are in place, and to monitor the relevant Planning and Performance Management Framework.</p> <p>(b) Best value in the use of resources to achieve these key outcomes is met within a performance culture of continuous improvement and customer focus.”</p>	
6.11 Previously Considered by:	None.	

Contact Details:

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24 June 2019

Appendices:

Appendix A - Progress on the Directorate Projects and Actions (Development Committee, Environment and Transport Committee, Shetland College Board)

Appendix B – Key Directorate Indicators and Council Wide Indicators (Development Committee, Environment and Transport Committee, Shetland College Board)

Appendix C – Complaints Summary (Development Committee Only)

Appendix D – Development Infographic (Development Committee, Environment and Transport Committee, Shetland College Board)

Appendix E – Risk Register (Development Committee Only)

Appendix F – Development Directorate, Revenue Outturn Position (Development Committee Only)

Appendix G - Shetland College, Revenue Outturn Position (Shetland College Board Only)

Appendix H - Housing Revenue Account, Outturn Position (Development Committee)

Background Documents:

Directorate Plan 2019-22 (link to be created following approval of the Directorate Plan)

Appendix A - Projects and Actions - Development ->Shetland College Board



Generated on: 02 August 2019

Shetland Partnership Plan 2018-2028

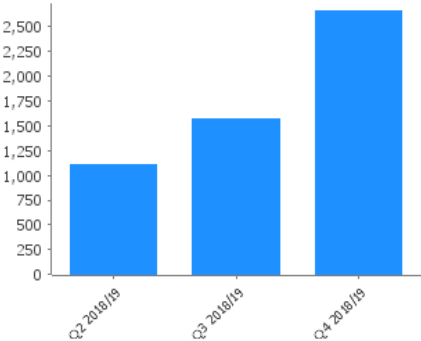
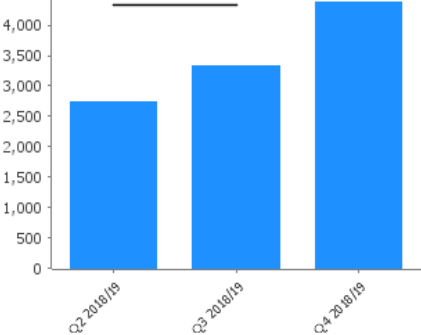
. People		Individuals and families thrive and reach their full potential				
Code & Title	Description	Long-term Outcome	Dates		Progress	Progress Statement
DP207 Skilled Workforce and Employment	Development of Shetland's skilled workforce. • Complete the Full Business Case for 'Effective and Sustainable Tertiary Education, Research and Training in Shetland' • Review delivery model for Employability Services • Develop the Young Workforce delivery plan.	Sustainable economy with access to skilled workforce, and there are opportunities for people with all levels of skills	Planned Start	01-Apr-2017	 	The Full Business Case for single governance delivery model outside of the Council, and decision to merge was agreed by all parties in December 2018. Project manager resource has been provided by UHI and work on the implementation project work streams has commenced. The Scottish Funding Council are pressing for an earlier vesting date of 6 January 2020. A Project Manager has been appointed by the UHI. A Shadow Board has been formed and is meeting Monthly, and a Principal Designate has been appointed.
Lead			Actual Start	17-Aug-2017		
			Original Due Date	01-Sep-2019		
			Due Date	01-Sep-2020	 Likely to meet target	• In house delivery model for Employability services implemented on 1 January 2019, within youth services • Developing Young Workforce Officer recruited last years and has quickly transformed the effectiveness of the DYW project, providing much improved coordination between schools, colleges, and businesses, and opportunities for young people and their influencers to engage with businesses.
Development Services Directorate			Completed Date			

Appendix B Performance Indicators (Quarterly)- Development Directorate -> Shetland College Board



Generated on: 02 August 2019

	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2017/18	2018/19	2019/20	Q2 2018/19	Q3 2018/19	Q4 2018/19	Q1 2019/20	Q1 2019/20	Graphs	Past performance & future improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GC-01 Number of modern apprentices recruited by Train Shetland	64	124		41	66					The current contracted volume of new starts for 2018/19 is 85, which is an increase on the previous year.
GC-02 % Achievement rate of Modern Apprentices recorded by Skills Dev Scotland	89%	72%		72%						<p>Please note the % achievement rate relates to all Shetland Modern Apprentices funded by SDS, not only Train Shetland. The figures are cumulative and based on small figures, eg for Q2 the % is based on 53 achievements. Fuller and more realistic achievement rates will be available in Q3 and Q4.</p> <p>Please note there is no update available for Q3 as yet.</p>

	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2017/18	2018/19	2019/20	Q2 2018/19	Q3 2018/19	Q4 2018/19	Q1 2019/20	Q1 2019/20	Graphs	Past performance & future improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GC-04 Shetland College Student Enrolments Further & Higher Education Combined	8,618	8,790		1,109	1,563	2,659				FE Credits outturn for 2018/19 was 4,580 for a target of 4,370.
GC-05 Total Credits (inc Train Shetland & NAFC)	4,607	4,375		2,732	3,334	4,375				As GC-04

DEVELOPMENT SERVICES REVIEW OF THE YEAR 2018/19



62 NEW HOUSES BUILT
46 PRIVATE
16 AFFORDABLE
183 COUNCIL HOUSE LETS

NORTH ISLES
5 HOUSE COMPLETIONS
30 COUNCIL HOUSE LETS

NORTH MAINLAND
8 HOUSE COMPLETIONS
36 COUNCIL HOUSE LETS

WEST MAINLAND
3 HOUSE COMPLETIONS
5 COUNCIL HOUSE LETS

CENTRAL MAINLAND
26 HOUSE COMPLETIONS
21 COUNCIL HOUSE LETS

SOUTH MAINLAND
11 HOUSE COMPLETIONS
13 COUNCIL HOUSE LETS

LERWICK & BRESSAY
9 HOUSE COMPLETIONS
78 COUNCIL HOUSE LETS

2.2m 
 passengers and vehicle journeys on transport services throughout Shetland
 an overall **4%** decrease from previous year

£843k  
 approved for **16** new **LEADER** projects funded by **SRDP**

 **34** new business start-ups assisted through Business Gateway

£240k awarded to **17** business and community projects supported through the **Economic Development Grant Scheme** securing **£640k** of external funding

£1.49m of external funding secured by **11** different community projects and **2** SIC projects with our help

20 community organisations benefited from **£63,000** after **1200** people voted in **4** different PB projects

 **Shetland**
 **Community**
 **Choices**

 **TRAINSHETLAND**

212 courses
1,978 delegates

Over **95%** of our customers rated us **5/5** as providing excellent service

177 apprentices in training

84 new Vocational Training starts compared to **74** last year

69 learners of **20** different nationalities supported by Adult Learning to develop their English through our ESOL programmes

120 learners supported with core skills of literacy, numeracy, communication and digital skills

77.8% Highest full-time Further Education achievement rate in **Scotland** achieved by our Joint Tertiary Sector **Shetland College** and **Train Shetland**

Shetland College Board

1.0 - Revenue Outturn Position 2018/19 Financial Year

Budget v Proj. Outturn Variance Q3 (Adv)/ Pos £000	Service Area	2018/19 Revised Annual Budget £000	Projected Outturn 2018/19 Quarter 4 £000	Budget v Projected Outturn Variance Quarter 4 (Adv)/ Pos £000
414	Grants from Funding Council	(1,644)	(1,989)	345
(198)	Property Costs	499	765	(266)
22	Teaching Departments	1,332	1,216	116
(3)	Senior Management & Admin	492	455	38
10	Support	457	416	41
(19)	Income Generating Units	18	31	(13)
3	Council Contribution	(836)	(709)	(127)
229	All Costs Shetland College	318	185	133
(47)	Train Shetland - Controllable	136	246	(110)
182	Outturn Surplus	454	431	23

The total contribution required from the Council cover all costs of the College is expected to be **£893k** (£709k council contribution plus £185k remaining costs)

Included in the above table are the projected variances presented as at Quarter 3.

Explanations of the main variances at Quarter 4 are set out below:

1.1 Grants from Funding Council –Surplus £345k (21%)

The main reasons for the projected outturn variance are:

- Increased FE Credit funding for Further Education than that Budgeted - £78k;
- More funding than expected was received for the implementation of NRPA salary agreement for lecturers - £56k; and
- Additional Income directly matched to costs incurred maintaining and upgrading property items -£208k.

1.2 Property Costs – Overspend (£266k) (53%)

The main reasons for the projected outturn variance are:

- Contract works of upgrades and maintenance to be carried out on college's property - (£159k). As above, the value of these works are to receive additional income from the Scottish Funding Council; and
- Net repayment of funding from EU grant awarded for Phase 3 development (£123k).

1.3 Teaching Departments – Underspend £115k (9%)

The main reason for the projected outturn variance is:

- A significant increase in activity and course fee income for the Chair of Creative Industry - £74k.

1.4 Approved Contribution from SIC – Shortfall (£127k) 15%)

The main reason for the projected outturn variance is:

- A reduced requirement for Council funding reflecting the increased financial performance of the college in 2018/19.

1.5 Train Shetland – Overspend (£110k) (81%)

The main reason for the projected outturn variance is:

- Higher than expected cost of education fee's and additional staff costs within the Vocational Training service (£84k).



Meeting(s):	Development Committee Shetland College Board Environment and Transport Committee	1 July 2019 28 August 2019 4 September 2019
Report Title:	Development Services Directorate Plan 2019-2022	
Reference Number:	DV-10-19-F	
Author / Job Title:	Neil Grant, Director of Development Services	

1.0 Decisions / Action Required:

1.1 That the Committee/Board:

- 1.1.1 REVIEW and COMMENT on the contents of the Directorate Plan; and
- 1.1.2 ENDORSE the Directorate Plan, recognising that the Director of Development Services will make any adjustments required to ensure it is fully aligned to the Council's Corporate Plan.

2.0 High Level Summary:

2.1 This report presents the Development Services Directorate Plan for 2019-22, which sets out the strategic action to be taken to deliver the Council's Corporate Plan, and Medium Term Financial Plan. The Directorate Plan also sets out strategic actions to deliver on the following cross cutting themes:

- Shetland's Partnership Plan 2018-28.
- Workforce development
- Customer service.
- Shetland Partnership 10 year plan to attract people to Shetland to live, study, work and invest in Shetland.
- Tackling Inequality action plan.
- New financial restrictions, and planning for further Council savings of £20m by 2021.

2.2 Quarterly Progress Reports will be submitted to the relevant Committee/Board in line with the Council's Planning and Performance Management Framework (PPMF) to allow Members to monitor and scrutinise the delivery and progress of the plan.

3.0 Corporate Priorities and Joint Working:

3.1 Effective Planning and Performance Management are key aspects of Best Value and features of "Our Plan", the Council's Corporate Plan 2016-2020.

- Our performance as an organisation will be managed effectively, with high standards being applied to the performance of staff and services. Poor performance will be dealt with, and good service performance will be highlighted and shared.

4.0 Key Issues:	
4.1	The Directorate Plan sets out the actions to be taken by the Directorate between 2019-2022. The plan is designed to give strategic focus to the activities that will be required to deliver the Corporate Plan outcomes, rather than focusing on the day to day business of the Services in the Directorate. Services operational activities are delivered and monitored through Service Plans.
5.0 Exempt and/or Confidential Information:	
5.1	None.
6.0 Implications:	
6.1 Service Users, Patients and Communities:	Effective performance management and continuous improvement are important duties for all statutory and voluntary sector partners in maintaining appropriate services for the public
6.2 Human Resources and Organisational Development:	Workforce development is key to this plan, to address recruitment and retention of staff, skills and re-skilling requirements, and delivering services with fewer resources.
6.3 Equality, Diversity and Human Rights:	The Council is required to make sure systems are monitored and assessed for any implications in this regard.
6.4 Legal:	None.
6.5 Finance:	There are no direct financial implications arising from this report. The actions, measures and risk management described in this report have been developed within the Target Operating Budgets for 2019/20 as set out in the Medium Term Financial Plan for Development Services Directorate, and actions to deliver transformational change required to achieve £20m of savings across the Council by 2021.
6.6 Assets and Property:	The costs of the estate and buildings currently utilised by the Development Directorate is not sustainable in the medium term. This is particularly the case for the Colleges estate.
6.7 ICT and New Technologies:	The transformational change noted in this report will require ICT and new technologies, which will be identified in a Council wide Digital Strategy.
6.8 Environmental:	None.
6.9 Risk Management:	Embedding a culture of continuous improvement and customer focus are key aspects of the Council's improvement activity. Effective performance management is an important component of that which requires the production and consideration of these reports. Failure to deliver and embed this increases the risk of

	the Council working inefficiently, failing to focus on customer needs and being subject to negative external scrutiny.	
6.10 Policy and Delegated Authority:	<p>The Council's Constitution – Part C - Scheme of Administration and Delegations provides in its terms of reference for Functional Committees (2.3.1 (2)) that they;</p> <p>“Monitor and review achievement of key outcomes in the Directorate and Service Plans within their functional area by ensuring –</p> <ul style="list-style-type: none"> (a) Appropriate performance measures are in place, and to monitor the relevant Planning and Performance Management Framework. (b) Best value in the use of resources to achieve these key outcomes is met within a performance culture of continuous improvement and customer focus.” 	
6.11 Previously Considered by:	N/A	

Contact Details:

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Date Cleared: 24 June 2019

Appendices:

Appendix 1 - Development Services Directorate Plan 2019-22

Background Documents:

[Our Plan](#)

Medium Term Financial Plan

Shetland's partnership Plan 2018-28

Development
2019-22 Directorate Plan

“Enabling our communities to develop their potential”

Introduction

Every year, each Directorate within the Council produces a Directorate Plan for the following 3 years. This Directorate Plan provides an overview of the Development Directorate for 2019-22. This plan contains information on major activities, aims, objectives, actions, targets, performance indicators and risks. Detailed activities for each Service within the Directorate are included in their individual Service Plans.

Directorate plans are approved at Service Committees and Council as part of the budget setting process.

Drivers for Change - What we must do in 2019-21:

Shetland's Partnership Plan 2018-28

Ensure alignment between Shetland's Partnership Plan, Our Plan 2016-2020 and key Development Directorate policies in order to work together to improve the long term outcomes related to Participation, People, Place and Money within the Plan. The work of the Directorate contributes to improved outcomes in all four priority areas, but the Directorate will have a specific focus on working together on the 'Place' priority and achieving the outcome that Shetland is an attractive place to live, work, study and invest. A key element of achieving this outcome is the enablement of a 10 year plan to attract people to Shetland to live, work, study and invest in Shetland

- Develop policy and support implementation of all parts of the Community Empowerment Act. In relation to Part 2 – Community Planning, the following four priority areas have been identified:
 - 'Shetland's Partnership Plan 2018-28': Support delivery of Shetland's Partnership Plan working towards achieving the priority Outcomes contained within the plan.
 - Implement and embed effective support structures for the Shetland Partnership.
 - Locality Planning: Work together to produce at least one plan for communities within Shetland that experience different outcomes compared to others in the Isles, starting with a Locality Plan for the North Isles of Yell, Unst and Fetlar
 - Communications; Implement effective processes to ensure high quality, internal and external communications about community planning and improvement work

Participation

- Implement Shetland Community Learning & Development Plan 2018-21, empowering people individually and collectively, to make positive changes in their lives and in their communities, through learning. The CLD Plan underpins all four priorities, but is specifically aligned to support delivery of the Participation Priority
- Continue to support the Council's approach to Community Choices (PB) and community commissioning as a means of engaging residents in service planning and financial decision making

People

- Contribute to the work of the Improvement Team in relation to the Anchor: Early Action Project
- Ensure alignment of activity in relation to strategic planning, and strategic partnerships within this key priority area. For example, the Community Justice Partnership, Community Safety & Resilience Board, Mental Health & Wellbeing, Active Shetland and Shetland Alcohol and Drug Partnership.
- Extend work on alignment to all strategic planning led by the Development Directory.

Place

Place-making and Locality Planning

- Enable development to happen
 - Consider policy implications in response to the National Review of Planning, and the emerging Planning Act which covers the following four themes:
 - Making plans for the future: by simplifying and strengthening development planning
 - Empowering people to make the system work: by improving the way people are involved in the planning process.
 - Building more homes and delivering infrastructure: by using planning to actively enable and co-ordinate development
 - Promoting stronger leadership and smarter resourcing: by removing processes that fail to add value, and by strengthening leadership, resources and skills
 - Develop a new Local Development Plan which reflects community aspirations and provides priority infrastructure across local boundaries
 - Continue to promote and assist in the development of Master Plans for example the Knab Site, Staney Hill, and Sullom Voe and development of community led place plans such as the 'Re-Create Scalloway' project which, when complete, form planning policy for these communities.

- Increase the supply of housing across all tenures
 - Develop refreshed Local Housing Strategy
 - Continue to deliver supply target of affordable housing in the Local Housing Strategy (LHS) through the Strategic Housing Investment Plan (SHIP)
 - Investigate incentives and initiatives to increase the supply of affordable housing, including investigation of a mid-market rent option
 - Assist communities to develop bespoke housing solutions
 - Encourage appropriate private development
 - Work in partnership with developers, builders and allied trades and utilities to deliver new build housing targets
 - Establish the business case for the provision of Key Worker accommodation in Shetland
- Achieve High Speed Broadband and full mobile coverage to all Shetland settlements
 - Work with the Scottish Government to effect the Roll out of High Speed broadband and Mobile Coverage, under the Reaching 100% by 2021 (R100) Plan, prioritising early delivery in Shetland.
 - Progress opportunities such as the UK Government Full Fibre Network challenge fund to extend high speed networks to augment and expedite the Government's R100 plan. Implement the North Isles Fibre project to Yell and Unst during 2019.
- Achieve sustainable and affordable internal and external transport links
 - Work with Scottish Government and Transport Scotland to achieve appropriate level of Inter-Island transport service provision and Fair Funding of Ferries and Internal Air Services.
 - Continue to work with Scottish Government and Transport Scotland to influence External Transport provision, new North Isles Ferry Contracts, fares and charging structures.
 - Develop and promote internal transport networks, increasing usage and ticket income, and manage revenue security.
- Knab Site Redevelopment
 - Contribute to the redevelopment of the Knab Site project, considering participation of the community in the development of the project and outcomes in relation to Place, Money and People.
- Continue to develop a shared policy approach and working arrangements in relation to resilient rural communities, and in particular islands with small populations, using the learning from this new way of working to inform approaches to Locality Planning

Talent Attraction

- Support for local businesses and entrepreneurs
 - Work with Corporate Services, Government and Our Islands Our Future (OIOF) Partners to achieve a strong Islands Deal and to secure external funding and support.
 - Proactively research Brexit opportunities, risks and scenarios
 - Provide commercial lending and grant support funding to local businesses

Skills and Learning

- Develop Shetland's Skilled Workforce
 - Work with UHI and stake holder organisations to implement a sustainable model for HE, FE, Research and Training in Shetland, which is more effective in providing the skilled workforce requirements of the local economy
 - Establish Shetland's Unique Selling Points for attracting Students to study in Shetland
 - Establish the business case for provision of Student Accommodation in Shetland
 - Work with Children's Services to increase the level of pupil interest in STEM subjects and entrepreneurship to effect career choices and gender balance of Shetlands Young Workforce, working closely with the DYW Board.
 - Work with Children's services, Tertiary sector and Businesses to increase the number of Modern Apprentices.
 - Engage with the Scottish Government and Skills Development Scotland to access funding programmes and opportunities brought about by the Modern Apprenticeship levy

Money

- To move Shetland towards being an equitable Food community
 - Contribute to the work of the Improvement Team in the development of a strategy to meet legislative requirements; securing the participation of those affected by food poverty, progressing a Lerwick based trial and mapping current activity
 - Work with stakeholders to identify a system of fares within internal transport services which helps to address inequalities

How we will do it ('20 By '20')

- Workforce Review – establish requirements for level of service by Development Services by 2021 and develop a workforce plan to meet future skills gaps, considering retirements, redeployments, extended use of career grades and Modern Apprentice placements and maximise opportunities from Apprenticeship Levy project funding.
- Continue to improve workforce engagement by delivering the 'Viewpoint Employee Engagement Action Plan 2016/18' and refreshed Viewpoint staff survey 2017.
- Improve Customer Service and Service Efficiency by engagement with the Corporate Business Transformation Programme, 2017-20
- Contribute to the development of a Digital Strategy for the Council which is also a key strand in the Business Transformation Programme.

Service Redesign Programme 2018-22, Projects

- **Internal Ferries:** Sustainable revenue and capital funding secured with the Scottish Government for internal ferry services and exploration of fixed links by Scottish Government. Revenue funding position secured by March 2020.
- **Internal Air Services:** Sustainable network of inter-island air services and supporting infrastructure, ensuring an integrated solution with ferry services. Specification required for air service contract renewal contracts commencing April 2020. Make decision on location of mainland air base.
- **Bus Services:** Best Value review of School, Public and Social Care Transport, contracts commencing August 2020.
- **Colleges Merger:** Implement the agreed merger of the Tertiary organisations, target vesting date for the New College is 6 January 2020.
- **Review of 'Outliers':** Use benchmarking with other local authorities to identify service provision, provide report identifying Outliers for further investigation by October 2020

New Financial Restrictions

The Council's General Revenue Grant has been reduced and it is projected that the Council must save £20m by 2021 to deliver a sustainable budget. It is therefore necessary to review the services we provide, identify ways to provide services with less resources and secure additional income sources. The priorities identified for the Development Directorate are intended to form part of a Corporate Wide plan to save £20m by 2021.

New Legislation

Community Empowerment (Scotland) Act 2015.

Scotland's new emerging Planning Act

National Transport Strategy

Islands (Scotland) Act 2018

Contact Details

Shetland College Gremista Lerwick ZE1 0PX 01595 771000	Community Planning & Development Solarhus 3 North Ness Business Park Lerwick ZE1 0LZ 01595 743888	Economic Development Solarhus 3 North Ness Business Park Lerwick ZE1 0LZ 01595 744940	Housing 6 North Ness Business Park Lerwick ZE1 0LZ 01595 744360	Planning 8 North Ness Business Park Lerwick ZE1 0LZ 01595 744840	Transport Planning 6 North Ness Business Park Lerwick ZE1 0LZ 01595 744868
Train Shetland Gremista Lerwick ZE1 0PX 01595744744					



Meeting(s):	Shetland College Board	28 August 2019
Report Title:	Shetland College, Principal's Update	
Reference Number:	SCB148-F	
Author / Job Title:	Susan A Berry Acting Principal	

1.0 Decisions / Action required:

- 1.1 Shetland College Board should NOTE the content of this report and the current position in relation to FE and HE enrolments for academic session 2018/19 and current student application figures. This report also provides the activity levels in Train Shetland for both Vocational Training and Short Courses.

2.0 High Level Summary:

- 2.1 This report updates Board members on activity across the tertiary sector in Shetland.

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:

4.1 Shetland Tertiary Education Sector Enrolments

- 4.1.1 Since the last SFC Credit Summary was presented to the College Board in April 2019 we have seen an increase in SFC credits achieved from 4,375 to 4,580 showing an overtrading position of 4% for Academic year 2018/19. Figures are yet to be finalised and as a result there may be some fluctuation. (Appendix 1).

Table 1: SFC Credit Summary

	2016/17	2017/18	2018/2019
Credit Target	4,255	4,332	4,370
Credits Achieved	4,971 (117%)	4,768 (110%)	4,580 (104%)
Difference	+716	+436	+210

4.2 Shetland College UHI Applications

- 4.2.1 Course recruitment is continuing as we move to the start of the new academic year. FE students have returned with induction set for 21st August; HE students are set to return for induction on Monday 3rd of September.

Table 2: Student Applications

	August 2017	August 2018	August 2019
FE Full-time	72	81	58
FE Part-time	86	94	89
HE Full-time	66	63	70
HE Part-time	74	70	50

- 4.2.2 Current applications are lower than 2018 with recruitment continuing for full-time programme until the end of August 2019 for FE and end of September for HE. Part-time applications continue throughout the academic year. Additional activity is expected throughout the year with numbers not currently known for SVQ's, NAFC Marine Centre or Train Shetland Vocational and Short Courses.
- 4.2.3 Table 2 does not include all activity within the college and wider Tertiary sector. Skills for work/vocation pathways programmes (74), foundation apprenticeship/academy programmes (7) or delivery of Psychology Higher (27) within schools as these programmes started with the change-over of school timetables in June.
- 4.2.4 Marketing will need to start by the end of October for Academic year 2020/2021. It is hoped that we can run two open events, one in October/November 2019 and one in June 2020.
- ### 4.3 Exam Results
- 4.3.1 Shetland College UHI are showing a similar picture as Nationally with a reduction in A-C Higher Passes and an increase in A-C National 5 passes.
- 4.3.2 A review is underway to understand the reduction in Higher pass rates and work with the relevant department(s) will continue throughout the academic year to support improvement.

4.4	<u>Graduation</u>
4.4.1	Our first joint Shetland College and NAFC Marine Centre Graduation was held on Wednesday 14 th of August with 105 FE and HE graduates attending. A great deal of work has gone into making the Graduation a celebration across the sector.
4.5	<u>Train Shetland Short Courses</u>
4.5.1	This has been another busy period for Short Courses from April to July 2019. There were a total of 62 courses run for 561 delegates.
4.5.2	<p>Courses run include:</p> <ul style="list-style-type: none"> • Flexible Workforce Development Fund: Effective Teamworking and Mentoring • Business Gateway courses • Construction, Shetland Construction Training Group courses • Corporate Training for Workforce Development • CPC & ADR courses for bus and lorry drivers • First Aid • REHIS Food Safety • Health & Safety
4.6	<u>Train Shetland Vocational Training</u>
4.6.1	Train Shetland has been awarded their contract with SDS for 74 places. The contract runs from 1 April to 31 March. July and August is traditionally a busy time for Vocational Training whilst all of the groundwork is done in preparation for the new starts, most of whom begin their apprenticeships in line with the college year.
4.6.2	Challenges are being faced resourcing backfill arrangements for staff in Acting Up roles. Staff within this area have been under particular strain to ensure a continued commitment to supporting current Modern Apprentices and increase capacity to support a growing number of Modern Apprenticeships. Additional staff are being recruited to provide much needed additional capacity and relieve some of the pressures the team are facing.

5.0 Exempt and/or confidential information:

5.1 None.

6.0 Implications:

6.1 Service Users, Patients and Communities:	N/A
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6.2 Human Resources and Organisational Development:	N/A
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6.3 Equality, Diversity and Human Rights:	N/A
6.4 Legal:	N/A
6.5 Finance:	There are no direct financial implications arising from this report.
6.6 Assets and Property:	N/A
6.7 ICT and new technologies:	N/A
6.8 Environmental:	N/A
6.9 Risk Management:	<p>There is a risk to FE Credit income from the Scottish Funding Council, which is related to the level of student activity in any given year, and the outcomes achieved by those students. In addition, it is likely that the FE Credit value will change from a standard flat rate, to a weighted rate (impacting on the total received and the share of funding between providers).</p> <p>The risk of lower applications is that we are not overtrading and therefore would be paid for all activity that attracts credits carried out within the college and wider Shetland Tertiary Sector although each year we are at risk of overtrading.</p>
6.10 Policy and Delegated Authority:	<p>The role of the Shetland College Board is to support the Acting Principal of Shetland College / Train Shetland carrying out her 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.

	<p>c Developing resources, including financial resources, to support the learner.</p> <p>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.</p> <p>e To provide direction on matters of quality assurance and improvement.</p> <p>f To monitor and provide assurance that the College operates sound financial management, including developing budgets and pursuing credit funding.</p> <p>g Liaising with UHI and other appropriate bodies, e.g. SQA, Scottish Funding Council and Education Scotland.</p> <p>h Take such decisions as appropriate to support the Interim Joint Principal in meeting the Council approved integration milestones.</p>	
6.11 Previously considered by:	N/A	

Contact Details:

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Appendices:

Appendix 1 - Credits Monitoring Summary

END

Student Enrolments and Credits Monitoring 13 August 2019

	Further Education		Higher Education		Total
	Full time	Part time	Full time	Part time	
Shetland College	72	677	79	201	1029
North Atlantic Fisheries College	15	902	0	0	917
Train Shetland	0	1656	0	0	1656
Adult Learning Evening Classes	0	0	0	0	0

		Full time			Part Time		
Further Education Credits Monitoring		Target	Full-time Enrolled	Credits Value	Target	Part-time enrolled	Credits Value
Creative Industries		22	18	324	25	11	88
Business & Management		6	3	54	16	22	119
Care		36	25	450	123	179	571
Community Learning		0	5	75	325	167	235
Computing		8	4	72	7	1	1
Construction		12	11	174	43	29	131
Cultural Studies		0	0	0	0	0	0
Hospitality		6	6	105	6	4	12
Hairdressing		0	0	0	4	7	0
Special Programmes		0	0	0	15	44	67
Vocational Pathways		0	0	0	77	107	256
Sub-Total		90	72	1254	641	571	1479
NAFC			15	270		902	1105
Adult Learning Eve Class		n/a	n/a	n/a	n/a	0	0
Train Shetland		n/a	n/a	n/a	n/a	1656	305
ECDL		0	0	0	32	27	38
ESOL		0	0	0	46	79	130
Totals		90	87	1524	719	3235	3056
Shetland College Target 2018/19 (inc ESIF 61 credits)			4,370		1 credit = £376		
Total Credits @ 13 August 2019			4580				
Credit balance to be achieved			-210				
No Margin			0				

Higher Education Enrolment Monitoring			
Full time		Part Time	
Target	Full-time Enrolled	Target	Part-time enrolled
25	39	32	37
14	8	15	39
26	18	53	70
n/a	0	20	25
17	9	0	7
0	0	12	21
6	5	4	2
n/a	0	n/a	0
n/a	0	n/a	0
n/a	0	n/a	0
88	79	136	201

Additional info
Business - 7 continuing students non fundable in 2018/19
Health & Care - 57 continuing students non fundable in 2018/19
Hospitality - 3 continuing students non fundable in 2018/19
ECDL -1student FWDF, 7 students continuing
Hairdressing - 7 continuing students non fundable in 2018/19



Meeting:	Shetland College Board	28 August 2019
Report Title:	College Merger Update	
Reference No:	DV-24-19-F	
Author/Job Title:	Neil Grant - Director of Development Services	

1.0 Decisions/Action Required:

- 1.1 Shetland College Board is asked to NOTE progress on the merger.

2.0 High Level Summary:

- 2.1 Jane Lewis has been appointed Principal Designate of the new college and in addition will take up post on 1 October 2019 to lead Shetland College and Train Shetland.
- 2.2 Ruth Campbell, the UHI's Project Manager, is delivering the merger work programme. The proposed vesting date is 6 January 2020, with a submission of the Ministerial Merger Business Case (MMBC) expected by mid-November.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Project is in line with Our Plan 2016-2020, is a key priority within the Council's Service Redesign Programme and the new College will support The Shetland Partnership's objective to attract people to live, work, study and invest in Shetland.

4.0 Key Issues:

Principal Designate

- 4.1 Jane Lewis will take up post as Principal Designate on 1 October 2019. Jane will also cover the role of Principal of Shetland College and Train Shetland until vesting.

Merger Project Management

- 4.2 The UHI Project Manager leads on support to the Shadow Board and the development of the Ministerial Merger Business Case (MMBC).
- 4.3 The Council's project team are ensuring the Council requirements, as set out in report Effective and Sustainable Tertiary Education, Research and Training in Shetland Project – Full Business Case Reference No: DV-46-18 to Council on 12 December 2018, are delivered within the overall project's timeline. This includes ensuring information is made available to support the development of the MMBC,

specifically relating to asset transfer, lease arrangements and financial assumptions. In line with the requirements of TUPE the Council as employer will communicate, inform and consult with trades unions and staff regarding the TUPE transfer and provide key employee and due diligence information to the new employer.

4.4 Planning for transfer of operations is underway, led by the UHI Project Manager.

4.5 A programme of informal consultations with staff on merger is taking place, led by the UHI Project Manager. That has included an all staff survey.

Shadow Board Progress

4.6 The Shadow Board has now had three meetings, with the newly recruited Non-executive members in attendance at the last two.

The last meeting provided opportunity to discuss:

- College Governance
- College name, legal status of new entity and Memorandum & Articles of Association
- Work programme updates
- Stakeholder engagement update

4.7 The Shadow Board considered that the new organisation should be unincorporated and accepted the draft Memorandum and Articles of Association presented by the UHI Project Manager.

The draft Memorandum and Articles of Association have been adapted from West Highland College UHI, a College of a similar scale to that of the proposed new College.

5.0 Exempt and/or Confidential Information:

5.1 None.

6.0 Implications:

6.1 Service Users, Patients and Communities:	<p>Engagement with students, including students of the future in schools, are planned within the next stages of the project by the UHI Project Manager.</p> <p>Regional officers from the Highlands and Islands Students Association (HISA) have been involved in the development of the Shadow Board and the Full Business Case Project.</p>
6.2 Human Resources and Organisational Development:	<p>The identified staffing implications and actions of the merger are as follows:</p> <ul style="list-style-type: none"> • Communication and Consultation – Staff engagement and involvement is fundamental to a successful merger. The merger implementation will follow guidance from the Scottish Funding Council. • TUPE – the Transfer of Undertakings and Protection of Employment Regulations will apply to all those employed by the NAFC and SIC. The regulations aim to protect the

	<p>employment and terms and conditions of employees when there is a transfer to a new employer. When TUPE applies the new college employer takes on the rights, responsibilities and liabilities of the old employers. All employees employed immediately before the transfer are automatically transferred to the new College and employees are protected against having their terms and conditions changed in connection with the transfer.</p> <ul style="list-style-type: none"> • Pensions – it is intended that the new College will apply to become an Admitted Body to the SIPF, which will ensure current scheme members will be unaffected by the transfer. Members of SPPA will likewise be unaffected by the transfer. • Staff Training and Welfare <ul style="list-style-type: none"> ○ Resilience workshops have been organised as part of the merger project and are taking place in September. ○ Thinking Ahead: Showcasing Personal Skills and Experience. Dates are to be confirmed for those interested. ○ The Council's Welfare Officer is available to meet with staff who are in need of support on an individual basis in relation to the change process.
6.3 Equality, Diversity and Human Rights:	<p>Governance of the new College must meet the provisions of, and the standards set by Colleges Scotland's Code of Good Governance. This contains specific provisions on corporate social responsibility, including commitment to improving economic, social and cultural wellbeing, and leading on equality and diversity.</p>
6.4 Legal:	<p>The Council has engaged external legal advisers for the provision of advice and assistance on employment, pension, contractual, procurement, conveyancing and any other legal issues that may arise.</p> <p>The Shadow Board is a body without separate legal personality. As such it cannot make legally binding decisions nor its members be held liable for any decisions taken. The Council cannot and has not delegated any authority to the Council members sitting on the Shadow Board.</p> <p>The purpose of the Shadow Board and the expectations of the Council members sitting on it is to provide leadership for the organisations striving to merge. It is also to take such decisions and give such guidance to the UHI Project Manager as is considered necessary to allow the creation of a new college in due course.</p> <p>When the new college is created it will be a legal entity. It is anticipated that one of the first decisions of that entity will be to ratify the decisions taken by the Shadow Board.</p>

	<p>In the meantime and until vesting occurs the Council must ensure that any direction the Shadow Board chooses to take is in accordance with its own decisions. This is achieved by the attendance at Shadow Board meetings of the Council officer with the appropriate delegated authority.</p>
6.5 Finance:	<p>There are no financial implications arising from this report.</p> <p>The Full Business Case (FBC) approved in December 2018 (SIC Min Ref: 55/18) demonstrated that the new college can be financially sustainable.</p> <p>The Council will become a customer on a commercial basis of the new college, rather than the deficit funder.</p> <p>Costs associated with this phase will be met from current budgets in Development Services, and SFC funding (should the bid be successful).</p> <p>A provision was made in the 2018/19 Annual Accounts for the Shetland Fisheries Training Centre Trust (SFTCT) pension cessation costs, in anticipation of merger, in line with the Council decision in December.</p> <p>Ongoing management costs within the Colleges will be met from existing budgets.</p>
6.6 Assets and Property:	<p>Work on the minimal cost transaction as approved in December 2018 is underway.</p>
6.7 ICT and New Technologies:	<p>To inform the FBC, an ICT Issues Report was produced which summarises the consideration for ICT resources during the merger process and beyond.</p>
6.8 Environmental:	<p>None at this stage.</p>
6.9 Risk Management:	<p>A project Risk Register is maintained.</p>
6.10 Policy and Delegated Authority:	<p>The role of the Shetland College Board is to support the Principal of Shetland College / Train Shetland carrying out her 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.

	<ul style="list-style-type: none"> 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 Principal in meeting the Council approved integration milestones. 	
6.11 Previously Considered by:	N/A	

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Date Cleared:

Appendices: None.

Background Documents: None