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Date: 8 November 2019

Dear Sir/Madam

You are invited to the following meeting:

Shetland College Board
Council Chamber, Town Hall, Lerwick
Wednesday 13 November 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 28 August 2019 (enclosed).

ITEM

1. Shetland College Principal's Update
SCB-149



Shetland Islands Council

A&B - Public

MINUTES

Shetland College Board
Council Chamber, Town Hall, Lerwick
Wednesday 28 August 2019 at 10.00am

Present:

P Campbell G Smith
T Smith

Apologies:

E Macdonald A Priest
B Wishart

In attendance (Officers):

C Ferguson, Director of Corporate Services
N Grant, Director – Development Services
J Clark, Project Manager
S Berry, Depute Principal
R Gillies, Operations Manager
A Pottinger, Manager – Train Shetland (Short Courses)
J Thomason, Management Accountant
P Wishart, Solicitor
L Geddes, Committee Officer

Chair

Mr Campbell, Chair of the Board, presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

Minutes

The Board approved the minutes of the meeting held on 1 July 2019 on the motion of Mr T Smith, seconded by Mr G Smith.

08/19 **Development Directorate Performance Report – 2018/19**

The Board considered a report by the Director of Development Services (DV-09-19-F) summarising the activity and performance of the Development Directorate for 2018/19.

The Director of Development Services summarised the main terms of the report, highlighting in particular achievement rates and delegate numbers for Shetland College and Train Shetland.

In response to a question regarding how much of the contribution required from the Council related to property costs, the Management Accountant advised that the projected outturn for property costs for 2018/19 was £765,000, which was an overspend of £266,000. In the business case for the new entity, leasing costs had been removed, and rates costs would also be removed as it would be classed as a charity. Therefore property costs should be in the range of £120,000 in future.

She also confirmed that £123,000 of the property costs overspend related to net repayment of funding from the EU grant awarded for the Phase 3 development, and this was now fully settled.

It was commented that the performance over 2018/19 was commendable, and that it was vital that the new organisation had the necessary resources to continue to deliver this level of performance.

Decision:

The Shetland College Board NOTED the content of the report.

09/19

Development Services Directorate Plan 2019-2022

The Board considered a report by the Director of Development Services (DV-10-19-F) presenting the Development Services Directorate Plan for 2019-22.

The Director of Development Services summarised the main terms of the report, highlighting in particular the projects in relation to developing Shetland's skilled workforce which would play a major part in the new model going forward.

He then went on to answer questions, and the Board noted the following:

- The establishment of "Unique Selling Points" for attracting students to Shetland was in the early stages, and it was part of the work being carried out by Promote Shetland. There was more work required in terms of getting the message out to students.
- It was understood that UHI were no longer pursuing the provision of student accommodation locally as part of its programme. A group within Shetland College and the NAFC was currently looking at what provision existed, what opportunities there would be for using existing rental provision, and the opportunities for new accommodation, and this would ultimately provide an assessment of whether there was a need to provide accommodation. Student accommodation was something that the new organisation would focus on rather than the Council, but it was likely that the Council would have a stakeholder role.
- Work was required to pull together targets from individual organisations regarding student and Modern Apprentice levels to

get a better understanding of future industry and business development in Shetland. There had been engagement with industry and a skills survey had been carried out around a year ago, so there was some evidence available. However at the moment there was not a firm evidence base for planning to deliver what was needed to go forward, and work was required to get to this position.

- Work was ongoing regarding the provision of training through Modern Apprenticeships for the care sector and early learning for the Council. The funding for an additional 40 places would amount to £50-60,000, but consideration would have to be given to the resources that would require to be in place in order that these additional places could be delivered locally. Funding received for Modern Apprentices did not cover the cost to the Council of the Modern Apprenticeship levy, but this was common to all local authorities.

Decision:

The Shetland College Board ENDORSED 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.

10/19

Shetland College Principal's Update

The Board considered a report by the Acting Principal (SCB-148-F) updating Board members on activity across the tertiary sector in Shetland.

The Acting Principal summarised the main terms of the report, advising that the College was in a slight overtrading position this year. There was a downturn in applications, but the College was continuing to accept applications over the next few weeks. It was likely that the College would not be in an overtrading position next year, but there was confidence that the target would be met. She went on to say that exam results reflected the national picture, with a slight decrease in Higher A-C and an increase in N5. She also highlighted the positive feedback that had been received following the first joint graduation ceremony, and she thanked the Operations Manager and the Student Engagement Team for their work in arranging it.

The Chair expressed thanks to those involved in organising the graduation ceremony, and those who had received awards.

It was noted that there had been a reduction in FT FE applications, and the Acting Principal said that the reduced capacity to carry out marketing may have had an impact, and there was also a reduction in the number of school leavers. The College would be meeting with Children's Services and Skills Development Scotland to increase awareness and to adapt the curriculum. She also confirmed that

there was a fee waiver in place for Highers due to the age of students involved, but that they did attract credits, and that targets were set by individual department heads based on previous trends and discussions with industry and schools.

The Manager – Train Shetland (Short Courses) then provided an update on recent activity at Train Shetland, advising that it had been a very busy period with a total of 62 courses run for 561 delegates over the last quarter. There had been a huge push to get bus and lorry drivers through CPC and ADR courses, and additional courses had been arranged.

It was questioned what proportion of the 561 delegates were Council staff, and the Manager – Train Shetland (Short Courses) advised that there had been 39 staff over four courses in the figures she had to hand, but that some Council staff that would have attended some of the other courses that had been run. She would arrange to provide a breakdown of the numbers of SIC staff attending courses at Train Shetland to be supplied.

It was commented that it was important to acknowledge that one of the big factors in the sustainability of the new merged organisation was SIC staff undertaking training there, and concern was expressed that the Council did not appear to be making full use of Train Shetland.

Decision:

The Board NOTED the content of the report, and the current position in relation to FE and HE enrolments for the academic session 2018/19, Train Shetland activity levels, and current student application figures.

11/19

College Merger Update

The Board considered a report by the Director of Development Services (DV-24-19-F) updating Board members with progress on the merger.

The Director of Development Services summarised the main terms of the report, outlining the latest developments including the appointment of a Principal Designate and the development of the Ministerial Merger Business Case (MMBC). The newly-recruited non-executive members were now attending the monthly meetings of the Shadow Board and, at the last meeting, there had been specific issues relating to governance and whether or not the new entity should be incorporated. The draft Memorandum and Articles of Association had been updated and require stakeholder input, and a work programme and stakeholder engagement plans had been discussed.

The Chair pointed out that the Shadow Board had considered the draft Memorandum and Articles of Association, adapted from West

Highland College UHI, and that it had been accepted that they be adopted subject to due diligence. He went on to say that it was a complex situation as the College Board had the interests of the Council to consider, and the NAFC trustees had the interests of the NAFC to consider. Both were trying to find the best way forward, but the Shadow Board had no decision-making abilities.

The Solicitor said that it was important to understand that the Shadow Board had no legal personality in that it could not enter into contracts or make binding decisions, and its members could not be sued. It was there to provide direction and leadership guidance, and to help ensure that there was a smooth transition to a merged college. However what could happen inadvertently is that it could commit to something that the Council could not commit to or that deviated from the Full Business Case that the Council had agreed to. The Council's representatives on the Shadow Board should therefore be flagging up anything that deviated from what the Council had agreed to.

It was commented that acceptance of the draft Memorandum and Articles of Association inferred that everyone was satisfied with them, but this was not the case. It was understood that the NAFC trustees would be discussing them further to ensure that they satisfied their requirements, and it was expected that the College Board should have had the same opportunity to do so, though this had not been the case so far. It was questioned what information should be presented to the College Board, what role it had in decision-making, and what relevance its representatives had on the Shadow Board.

The Director of Corporate Services said that it was difficult for Members to be supported and prepared for Shadow Board meetings unless Council staff had seen the papers for meetings in advance, and these papers were clear about the level of governance, delegated authority, and decision-making likely to be required. The draft Memorandum and Articles of Association would require to be approved by a body with appropriate authority. There was an expectation that representatives of the various agencies on the Shadow Board would come to an agreed position on what could be recommended for the new entity, based on the appropriate advice and information being provided to them. The Shadow Board had no authority to ratify decisions, and the Council should not be ratifying decisions of the Shadow Board. The Council's representatives were there to protect and safeguard the interests of the Council. If there were material changes to the agreed business case or something that committed the Council to something, they should be advising the Shadow Board that this would be taken back to the Council for officers to provide advice. She hoped that the Members were confident with the level of detail of the work that was coming through the Shadow Board, and were comfortable to say whether it fitted with

the business case and the ambitions of the Council's strategic plans and community planning.

The Solicitor added that with regard to the draft Memorandum and Articles of Association for the new entity, what the Council need to be considering was whether its interests were being protected and whether it was creating something that the Council had not agreed to. Ultimately the new entity would have its own Memorandum and Articles of Association which would decide the way it would run things, and this may not be the way the Council would have run it.

The Chair pointed out that UHI would be visiting Shetland in mid-September, and there would be the opportunity to clearly state the Council's position then. He was of the view that would be beneficial for a partnership agreement or understanding to be prepared so that those involved in the merger process were fully aware of their responsibilities, and the Board concurred.

The Director of Corporate Services agreed that it would be in everyone's interest to have this. It would help to facilitate the process, and assist understanding of levels of decision-making.

It was questioned if the Council's representatives on the Shadow Board had the right to veto something if they wished to go back to the Council for instruction or advice.

The Solicitor advised that while it would not be referred to as a veto, if there was something presented to the Shadow Board that did not fit with what the Council had previously decided, this should be flagged up.

The Director of Corporate Services added that the word veto implied decision, but the Shadow Board could not take decisions. If stakeholders were uncomfortable with something being presented, they could go back to their partner organisation and support could be withdrawn.

The Director of Development Services advised that he was of the view that the Memorandum and Articles of Association were not where they required to be, and the organisations should be commenting whether or not they were happy with them.

It was commented that because reports were presented to the Shadow Board quite late, there was not time for officers to have input, and the Council's representatives could therefore only express their own personal views at meetings. It was suggested that there should be an agenda management process in place whereby officers could see documents that were being presented in advance, and this was something the Project Merger Manager could work on preparing.

Decision:

The Shetland College Board NOTED the progress on the merger.

The meeting concluded at 11.20am.

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Chair



Meeting(s):	Shetland College Board	13 November 2019
Report Title:	Shetland College, Principal's Update	
Reference Number:	SCB149-F	
Author / Job Title:	Jane Lewis Principal, Shetland College & Train Shetland	

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 2019/20 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 Current figures for Academic Year 2019/20 show 3,261 FE credits have to date been achieved for the Shetland Tertiary Education Sector, this is 75% of the SFC FE credit target of 4,309 set for 2019/20. The 2019/2020 credit target of 4,309 is excluding additional ESF credits due to limited number of students of eligible programmes, there is currently only 1 programme that meets the criteria with only 3 students enrolled. (Appendix 1).

Table 1: SFC Credit Summary to date: comparable to similar time frame in previous years

	2017/18	2018/2019	2019/2020
Credit Target	4,332	4,332	4,309 (Excl ESF)
Credits Achieved	3,321 (76%)	3,015 (70%)	3,261 (75%)
Difference	-1,011	-1,317	-1,048

- 4.1.2 While we are sitting in a similar position as previous years at this time with 75% of our target being met. We have seen a reduction in applications for this academic year, and while we would hope to meet our credit target with enrolments continuing to be processed throughout the academic year, we would not predict at this stage that we would be in an overtrading position at the end of the academic year.

4.2 Train Shetland Vocational Training

- 4.2.1 We were awarded 69 places for our contract for 2019. The contract has since been extended upwards to 76 following employer requests. The places are split between the different career sectors, though Care and Childcare continue to have the largest volume with the SIC taking on the majority. This year has seen a larger interest in Administration, particularly for SIC departments.
- 4.2.2 For the first time, SDS has given providers milestone dates for completion of starts. We therefore need to have a volume of starts completed and registered on SDS's database within a specified time period. We achieved both of our targets of 21 starts by 29 August and 46 by 29 October. We are also on track to achieve our next target in November. In addition, we have a value target in terms of the amount of funding we are claiming and we are also on track to achieve those.
- 4.2.3 This year, along with the traditional industry requests for engineering, construction and motor vehicle, we have had 2 new starts in the ICT through the SIC. In conjunction with college staff, we have established a new relationship with Sodexo for whom we will be starting 2 new apprentices in Professional Cookery. It is hoped that we will also be able to develop new opportunities with Sodexo, who have expressed a desire to work with local training providers. There has been interest from Peterson who are interested in growing their workforce through apprenticeships.
- 4.2.4 We have managed to recruit 2 Vocational Training Coordinators to replace departing staff and to deal with increased numbers of apprentice requests. The staff members have undergone their inductions and are settling in well. We have also recruited new admin staff to deal with the administrative requirements as laid

down by the SDS contract. The contracts are temporary whilst the case for merger is being considered.

- 4.2.5 From November, we will start our round of school talks with the S4 cohort. We will be continuing our programme of speaking with pupils from younger age groups with a talk with the S2/S3s at Whalsay JH School. We attended the DYW careers event in September where we were able to speak with parents, which was a very successful evening. Some of our apprentices attended the joint graduation event at Mareel in August and we will be holding our own apprenticeship event at the end of November where we will celebrate the achievements of our apprentices with their employers.

4.3 Update on College Activity

- 4.3.1 Education Scotland engagement continues with Dr J Bowditch keeping in regular contact with the college. A catch-up visit is planned for December with a possible focus on Safeguarding and SCQF Credit Rating activity within the college although details have yet to be confirmed. As part of the 'How Good is Our College' Framework review of the colleges Enhancement Plan submitted October 2018, a Progress Visit will take place in February over 2 days with meetings being arranged with staff, students and key stakeholders. The visit will focus on the 2019/2020 actions set by the college to ensure significant progress is being made.
- 4.3.2 There will be an Open Evening taking place Wednesday 13th November showcasing each department within the college. Representation from industry and partners within the tertiary education sector in Shetland have also been invited to demonstrate the links between the partners and industry and possible pathways potential students could follow into the workplace and how the tertiary education sector can support industry in developing their workforce.
- 4.3.3 It is planned to increase our Foundation Apprenticeship offering to S5 and S6 pupils across Shetland with the addition of FA in Business Studies and FA Civil Engineering be added to the options being made available.
- 4.3.4 The Staff Development Conference is being planned and due to take place in December, where two days are set aside for focused staff development. This offers the opportunity for team building across the sector, time away from desk to undertake relevant training, reflect and think about the future.
- 4.3.5 Professor Jane Lewis will give the Board a verbal update on additional activity.

5.0 Exempt and/or confidential information:

- 5.1 None.

6.0 Implications:

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| 6.1 | N/A |
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Service Users, Patients and Communities:	
6.2 Human Resources and Organisational Development:	N/A
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. Risk at this time of not meeting FE credit target is offset within the Regional target and we would not expect clawback from SFC.</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> <p>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</p>

	<p>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.</p> <p>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> <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 30 October 2019

	Further Education		Higher Education		Total
	Full time	Part time	Full time	Part time	
Shetland College	63	410	95	154	722
North Atlantic Fisheries College	24	206	0	0	230
Train Shetland	0	419	0	0	419
Adult Learning Evening Classes	0	0	0	0	0

Higher Education Enrolment Monitoring			
Full time		Part Time	
Target	Full-time Enrolled	Target	Part-time enrolled
51	51	44	44
11	1	44	32
18	21	53	56
n/a	-	25	8
8	14	8	8
0	-	11	3
8	8	4	3
n/a	-	n/a	-
n/a	-	n/a	-
n/a	-	n/a	-
96	95	189	154

	Full time			Part Time		
Further Education Credits Monitoring	Target	Full-time Enrolled	Credits Value	Target	Part-time enrolled	Credits Value
Creative Industries	17	10	180	35	13	76
Business & Management	3	6	108	25	20	60
Care	24	19	342	137	111	295
Community Learning	8	6	90	327	89	211
Computing	6	9	162	9	1	1
Construction		13	195	66	14	130
Cultural Studies	0	0	0	0	0	0
Hospitality	5	0	0	3	5	16
Special Programmes	0	0	0	15	18	46
Vocational Pathways	0	0	0	92	100	264
Sub-Total	63	63	1077	709	371	1099
NAFC		24	408		206	388
Adult Learning Eve Class	n/a	n/a	n/a	n/a	0	0
Train Shetland	n/a	n/a	n/a	n/a	419	212
ECDL	0	0	0	28	14	8
ESOL	0	0	0	84	25	69
Totals	63	87	1485	821	1035	1776
Shetland College Target 2019/20 (excl ESF)		4,309		1 credit = £417		
Total Credits @ 30 October 19		3261				
Credit balance to be achieved		1048				
No Margin		0				
Monetary value of credits to be achieved		£437,160				

Additional info
Business inc 10 students spanning to 2020/21
Health & Care inc 29 students spanning to 20/21
Hopsitality inc 4 students spanning to 20/21