

## University of the Highlands and Islands

**Committee** Further Education Regional Board (FERB)  
**Date & Time** Wednesday 12<sup>th</sup> March 2014 at 2.00pm  
**Location** EO1 Ness Walk, Inverness  
**Purpose** Scheduled meeting  
**Quorum** Further Educational Regional Board (FERB)

<b>Present</b>	Michael Foxley (Chair) Lydia Rohmer (p)	WHC
	Bill Ross (p/vc) & Harvey Johnston (vice c)	Orkney College (VC)
	Irene Peterson (p)(vc) Drew Ratter (c)	Shetland College
	Anne Lindsay (p) & Paddy Maher (vice c)	Moray College
	Niall Smith (c) Gordon Jenkins(p) Donald MacBeath (ap) (VC)	North Highland College
	Brian Chaplin (c) & Iain MacMillan (p)	Lews Castle College
	Penny Brodie (c) & Margaret Munckton (p)	Perth College (VC)
	Dianne Rawlinson (p) & Garry Sutherland (c)	Inverness College
	Fraser Durie (p), Andrew Campbell (c)	Argyll College
	Willie Shannon (p) (VC)	NAFC
	Archie Maclean (VC) Aideen O'Malley (BoM)	SMO
	Bruce Ritchie (c)	HTC
	Rachel Parker (President)	UHISA
	Emma Lawrie	FE Student Rep
	Gordon McGuinness (telephone)	SDS
	Patrick O'Donnell	Staff representative
	Mike Devenney	Associate Principal FE

**In attendance** Michael Gibson Chair of SAMS  
 Garry Coutts Chair UHI Shadow Court (in part)  
 Crichton Lang UHI Acting Principal  
 Fiona Larg UHI COOS  
 Halena McAnulty (SFC) (VC)  
 Linda Stewart in part  
 Roger Sendall (*minutes*)

**Apologies** Carroll Buxton, Hugh Fraser, Judith Henderson

Agenda Item	Action
<p><b>1 WELCOME</b></p> <p>The Chairman opened the meeting and noted that a quorum was present.</p> <p><b>Declarations of interest:</b> None</p> <p><b>AOCB:</b> None</p>	
<p><b>2 MINUTES</b></p> <p>2.1 The minutes of the meeting held on 14<sup>th</sup> January 2014 (FERB14-009) were reviewed and approved subject to minor amendment.</p>	
<p><b>3 MATTERS ARISING</b></p> <p>3.1 <b>Shared Services</b></p> <p>The Chair of the Shared Services Project Board (SSPB) reported that VAT implications associated with the alternative Shared Services model proposed by the University's short life working group now meant that the original Cost Sharing Group model was the favoured option for delivering shared services. It was noted that the business plan was being amended and updated accordingly and that this was expected to be published by 24<sup>th</sup> March 2014. It was noted that efforts were being progressed in accordance with a planned go live date of 1<sup>st</sup> August 2014. FERB was further advised that the business case would be amended to address the concerns raised by Court relating to audit assurance and it was also reported that the £2.1M of transitional funding to assist the University and Academic Partners to implement shared services offered by SFC was not at risk as a result of the delay.</p> <p>3.2 <b>Changes to FE Funding</b></p> <p>It was noted that this item had been considered by FE Executive Board and that a sub-group chaired by the Principal of Orkney College had been established to review the implications for APs. A modelling exercise would be undertaken as soon as data was made available by SFC. FERB highlighted the importance of identifying any headline consequences at the earliest opportunity and considered that remoteness funding and allowances for rural deprivation were likely to be key issues for the region.</p>	

### 3.3 ONS Reclassification of Colleges

FERB was pleased to note that Scottish Government and the Treasury had agreed that UHI incorporated colleges would be permitted to operate in accordance with the University's academic year, however, FERB remained concerned about the negative impacts on colleges of the ONS decision that would prevent colleges from holding cash in advance of need and which would severely hamper the ability of APs to plan and make use of reserves effective from 1<sup>st</sup> April 2014. Members were encouraged to continue to lobby politicians hard on this issue in an effort to secure an exemption for UHI assigned colleges. In the meantime affected colleges were continuing to explore options for transfer of reserves before 31<sup>st</sup> March to an independent trust to avoid clawback by the Treasury and it was noted that a majority of members favoured transferring reserves to a separate Highlands and Islands Trust in favour of a national scheme.

### 3.4 Arrangements for Appointment of Regional Chair

The COOS advised that a Search Committee for the appointment of a Chair of FERB had been established in accordance with a decision of Court and that the position would be advertised next week in accordance with a closing date of 3<sup>rd</sup> April 2014 and with interviews planned for 16<sup>th</sup> April 2014.

It was noted that FERB had previously had sight of and endorsed the job description and person specification for this post.

### 3.5 Assignment of Colleges

The APFE reported that consistent with FERB's instructions he had responded to the consultation on assignment and advised that the University and FERB favoured an assignment date of no earlier than 1<sup>st</sup> August 2014. In addition, the COOS reported that she had written to SFC to enquire under what criteria they would determine if the University was ready to receive the colleges. No response had been received to date. The SFC representative undertook to pursue an early response.

Exit G  
Coutts

SFC

### 3.6 Skills Investment/Assessment Plans

The SDS representative reported that progress with finalising the Highlands and Islands Development Plan was slightly behind schedule, however, that meetings were planned with SFC and HIE for next week in an effort to finalise the plan. It was noted that amendments would include a proposal to incorporate a school of forestry initiative and to add greater focus on enterprise and care streams. It was noted that an update on progress would be provided to COHI on 31<sup>st</sup> March and copied to FERB for information. In addition, it was noted that SDS would meet separately with Perth College in an effort to develop a complimentary arrangements and structures.

### 3.7 Responding to Wood Commission

FERB noted that SDS wanted to earmark resources for particular activities. The APFE reported that the FE Executive Board had discussed the issue at its recent meeting and agreed to develop proposals further with a view to presenting a consensus opinion to FERB in June 2014.

### 3.8 European Funding (considered between items 7 & 8)

FERB received a verbal report from the UHI Director of European and International Funding in connection with progress towards developing University strategy and policy in order to take best advantage of new EU strategy and funding programmes for 2014-20.

Exit D  
Ratter &  
M Gibson  
16:00

## 4 CHAIRMAN'S REPORT

The Chair made a plea to members to respond to requests more rapidly. He noted that a number of significant issues were progressing at pace and in order for him to represent the region effectively it was important that he received a timely response to requests for information.

## 5 IMPLEMENTING FERB TERMS OF REFERENCE

FERB considered paper FERB 14-011 recommending establishment of a short-life working group to examine and provide greater clarity with regard to establishing and developing key interfaces for delivering quality tertiary education through FERB and to ensure that FERB succeeded in meeting its responsibilities and obligations following the assignation of AP colleges.

## 6 TEACHING AND FEE WAIVER ALLOCATIONS 2014-15

FERB considered paper FERB14-012 setting out a proposed basis for allocating 2014-15 Teaching and Fee Waiver funding to nine eligible APs. During discussion FERB noted that the options presented included an amount to fund overheads associated with new regional governance processes. In 2013/14 these costs had been absorbed by the University, however, FERB noted that in future such costs would have to be met from FE funding streams and an agreed mechanism was required. The APFE advised that the paper included a figure of £200k to cover FE regional overheads. It was noted that this was a nominal figure provided for presentational purposes only and it was agreed that the short life working group established in accordance with the above recommendation should be tasked to consider what activities needed to be included and paid for from any regional overhead, this may be a top slice or an alternative model. It was noted that FERB members supported the principle that as much resource as possible should be provided for front line teaching and learning activity and that administrative overheads should be kept as low as possible with new activity funded by efficiency savings wherever possible.

Exit A  
O'Malley  
15:14

## 7 Capital Funding 2014/15

FERB considered paper FERB14-013 relating to capital funding allocations for 2014/15 and setting out alternative options for distribution. Following due consideration it was agreed to approve option two. FERB also agreed that a co-ordinated capital plan should be developed for future years and this matter would be included on the agenda for June 2014.

## 8 STUDENT FUNDING ALLOCATIONS

The APFE reported that the SFC had allocated funding for student bursaries and that evidence was needed to demonstrate to SFC that these funds were insufficient. It was noted that a shift in student profiles from fewer part time to more full time students meant that more money was needed than in previous years and the APFE requested that colleagues provide evidence quickly in order that the matter could be progressed with SFC.

APFE

## 9 DEVELOPMENT OF REGIONAL OUTCOME AGREEMENT

FERB approved the FE elements of the draft 2014-15/2016-17 Regional Outcome Agreement contained within paper FERB14-014.

**10 ANY OTHER BUSINESS**

None.

**11 DATE OF NEXT MEETING**

Next meeting – 5<sup>th</sup> June 2014