

University of the Highlands and Islands

Committee Further Education Regional Board (FERB)
Date & Time Thursday 4th December 2014 at 2.00pm
Location EO1 Ness Walk, Inverness
Purpose Scheduled meeting
Quorum Half plus one.

Present

Michael Foxley (Chair)	
Janice Annal	Chair of Orkney College UHI VC
Peter Campbell	Chair of Shetland College UHI
Niall Smith	Chair of North Highland College UHI
Donella Steel	Chair of Inverness College UHI
Andrew Campbell	Chair of Argyll College UHI
Karen MacGregor	Vice Chair of West Highland College UHI
Grant Myles	Chair of Perth College UHI
David Sandison	Vice Chair North Atlantic Fisheries College
Jana Hutt	Chair of Moray College UHI
Brian Chaplin	Chair of Lews Castle College UHI
Ian Mathers	Perth College UHI Board Member
Gordon McGuinness	Independent member – Skills Development Scotland
Calum Macpherson	Independent Member
Lisa Massie	Independent Member
Patrick O'Donnell	Staff Member
Matthew Cameron	Student Member
Mike Devenney	Associate Principal FE

In attendance

Lydia Rohmer Principal of West Highland College UHI
 Bill Ross Principal of Orkney College UHI VC
 Frank Hughes Principal of Moray College UHI VC
 Clive Mulholland UHI Principal and Vice Chancellor
 Fiona Larg UHI Chief Operating Officer and Secretary
 Sharon Drysdale SFC in part
 Linda Stewart in part (By telephone)
 Roger Sendall (*minutes*)

Apologies

Wilf Weir, Crichton Lang UHI Deputy Principal, Carole Buxton HIE, Aideen O'Malley

Agenda Item	Action
<p>1 WELCOME</p> <p>The Chairman opened the meeting and noted that a quorum was present.</p> <p>The Chair welcomed new members Myles Grant and Matthew Cameron to their first meeting.</p> <p>Declarations of interest: None.</p> <p>AOCB: None.</p>	
<p>2 MINUTES</p> <p>2.1 The minutes of the meeting held on 18th September 2014 (FERB14-035) were reviewed and approved.</p> <p>2.2 The minutes of the FE Executive Board meeting held on 21st November 2014 (FERB14-035b) were noted.</p>	
<p>3 MATTERS ARISING</p>	

3.1 Induction of new members and training and development

The Corporate Governance Manager reported that a number of briefing sessions on University activities had been organised for members of Court and the independent members of FERB. It was noted that the sessions were being recorded and slides were being published within a Boardpad reading room for members information. Members were encouraged to view the sessions and to advise the Corporate Governance Manager of any suggestions for additional topics.

3.2 Shared Services

The COOS reported that the Director of Shared Services had attended recent meetings of HEPPRC and FGPC to present an alternative proposal and structure for establishing and delivering shared services across the partnership via a Cost Sharing Group that would be a subsidiary company of the University. The company would form a VAT group with the University and would deliver services in accordance with a hub and spoke model. It was noted that FGPC and HEPPRC had endorsed this proposal and that they had recommended that on the 17th December the University Court should be asked to:

- To provide a pensions guarantee for partnership staff transferring into the proposed subsidiary company, and;
- To direct the Director of Shared Services to liaise with Academic Partners and to develop a full business proposal with a view to initiating a new shared services company in time for academic year 2015/15.

The COOS agreed to make a copy of the presentation slides available to members. In addition it was noted that the Chair of NHC would also share details of an alternative CSG model with the Director of Shared Services.

FL, NS

3.3 ONS Reclassification of Colleges

The Chair was pleased to report that the FE Regional Chairs group and Colleges Scotland had been successful in overturning the requirement for the Incorporated Colleges to self-insure. He further explained that the FE Regional Chairs Group were currently lobbying in an effort to change the rules relating to the inability of incorporated colleges to retain any financial reserves and it was noted that an update on progress would be provided in due course.

3.4 Student Support Funding 2014/15

The APFE reported that the SFC had advised that they would be meeting on 5th December to consider the distribution of student support payments. It was noted that the SFC recognised the pressures being experienced by some colleges and that they had established a review group to consider the issues and possible solutions. It was understood that the group was proposing a new needs led distribution mechanism to replace historical allocations and that this model would ensure that no college was affected by a loss in student support funding that was >1% on the previous year. Further information was expected next week.

3.5 National Pay Bargaining

The Chair was pleased to advise that the Principal of Perth College UHI had been invited to join the working group that had been established to consider the implications and issues associated with a national pay bargain. This appointment would strengthen representation from the region.

3.6 Highlands and Islands Skills Investment Plan (SIP)

FERB noted that the SIP had been formally launched at a meeting of the Convention of the Highlands and Islands (COHI) on 27th October 2014 and that Councillor Drew Hendry had been appointed to lead a working group of key stakeholders to implement actions within the plan and to embed strategic initiatives within complementary regional action plans.

It was noted that a FERB would receive a paper providing a full progress report at the next meeting.

MD,
GM

3.7 Changes to Further Education Funding Methodology

The Principal of Moray College provided FERB with a verbal report in connection with SFCs plans to switch from weighted SUMS to a credit based distribution model. It was noted that three options were under consideration that would have varying positive impacts on the total allocation made to the Highlands and Islands region, however, distributions to individual colleges may be reduced depending on the final model adopted. Broadly the options under consideration would include funding in accordance with five price bands, learning support funding would be removed from activity targets and be replaced with a grant and colleges would be eligible for social inclusion and rurality premiums.

However, it was understood that the total sum available for rurality funding would reduce from circa £5m to around £4m and SFC had been asked to remodel this element as this premium was of particular importance to smaller remote APs who were working to grow provision in rural areas.

FERB agree that SFC should be requested to invite a UHI representative to participate in the working groups deliberations.

4 CHAIRMAN'S REPORT

The Chair provided FERB with a verbal report in connection with his recent activities.

The Chair encouraged members to liaise with the APFE in developing a matrix of capital investment projects for consideration at the next meeting of FERB on 13th February 2015. It was agreed that there would be a benefit in establishing a short life working group of FERB including the independent members to consider and recommend priorities for the suggested capital projects.

5 Strategic Vision and Plan 2015-2020

FERB noted paper FERB 14-036 providing an update on progress with regard to refreshing the University's strategic vision and plan for the period 2015-2020.

The following points were noted:

- FERB noted that the vision on a page did not currently refer specifically to schools engagement.
- It was suggested that the order of sentences within the strategic vision section should be rearranged with sentence three becoming sentence two.
- It was suggested that the phrase "we will continue to be locally based" be shortened by the removal of the words "continue to".

6 Regional Outcome Agreement 2014/15 – 2016/17

FERB considered paper FERB14-037 prepared by the Associate Principal Further Education providing a summary of obligations and challenges emanating from the Regional Outcome Agreement and a draft self-evaluation document setting out performance against key measures.

7 Student Activity Levels Session 2014-15

FERB was pleased to note that regional student number targets had been achieved, however, this had only been achieved through the over performance of three colleges and it was noted that was a need to examine planning methodology to ensure that realistic targets were set. FERB noted that there may be a need to vire funding to support over performing colleges and it was agreed that the APFE should submit a paper on this issue for consideration by FERB in February.

APFE

8 Regional Quality Monitoring

FERB noted paper FERB14-039 prepared by the Associate Principal Further Education setting out performance against previously agreed measures of regional quality performance.

It was agreed that peer review of individual AP performance would be beneficial.

9 Student Representation Project

FERB noted paper FERB14-040 providing an update on progress with the above project. The APFE reported that responses to the consultation process were disappointing and no firm conclusions were evident accordingly HEPPRC had agreed:

That there was an urgent need for APs to confirm whether or not they wished to maintain separate institutions or to participate in a unitary student association with local initiatives and representation feeding an umbrella/hub association.

The current student representative bodies were highly variable in terms of effectiveness and performance from one year to the next and significant changes were required to improve representation for students across the partnership and to create a sustainable and robust framework for student representation.

A long term solution was needed and HEPPRC agreed that the project team should focus on delivering this as opposed to a temporary solution.

10 European Funding

FERB noted paper FERB14-041 prepared by 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.

It was noted that FGPC and HEPPRC had agreed to progressing a structured approach to developing proposals for ESIF grant funding. Further information would be presented to FERB in February.

L Stewart attending.

L Stewart

Exit S
Drysdale

11 Appointment of College Board Chairs

FERB noted paper FERB14-042. The Chair noted that the new process for appointing Chairs of Incorporated Colleges had been tested for the first time with the appointment of a new Perth College Chair. It was noted that the processes had worked very well.

12 Draft Financial memorandum between Regional Strategic Bodies and Assigned Colleges

FERB noted paper FERB14-043 providing a draft model financial memorandum that had been produced by SFC for use between Regional Bodies and Assigned Colleges.

It was noted that the primary HE and FE financial memoranda that would set out the relationship between the SFC and the University had not been published to date

13 SFC FE Governance Checklist

FERB noted paper FERB14-043b. The COOS advised that the University had reported concerns to SFC with regard to the first draft of the governance checklist for Regional Strategic Bodies as being overly onerous. Whilst it was noted that some amendments had been made the checklist was still overly prescriptive and AP Chairs were encouraged to discuss the draft document with their Principals and to pass comments back to the SFC.

14 FE Risk Register

FERB reviewed paper FERB14-044 comprising a first draft FE risk register on the agreed partnership risk template. It was noted that four high level risks had been identified. Members queried whether mitigation relating to the risk of failure to achieve SFC regional student activity targets was correctly scored and wondered if the residual risk should be higher. The APFE undertook to reassess the scores for this risk.

Members were encouraged to highlight any additional risks that they wished to be added to the register to the APFE or CGM.

15 Shetland Tertiary Review Report

FERB noted paper FERB14-045 comprising the Shetland Tertiary Review. The Chair thanked the Chair of Shetland College for sharing the paper with FERB.

13 ANY OTHER BUSINESS

None.

14 DATE OF NEXT MEETING

Next meeting – 13th February 2015