

University of the Highlands and Islands**Committee Further Education Regional Board (FERB)****Date & Time Thursday 12th May 2016 at 2pm****Location** EO1 Ness Walk, Inverness**Purpose** Scheduled meeting**Quorum** Half plus one.**Present**

Michael Foxley (Chair)

Neil Stewart

Andrew Campbell

Grant Myles

John Hutcheson

Niall Smith

Peter Campbell

Euan Smith

Wilf Weir

Carroll Buxton

Calum MacPherson

Lisa Massie

Patrick O'Donnell

Luke Humberstone

Aideen O'Malley

Bruce Ritchie

Mike Devenney

Chair of Inverness College UHI

Chair of Argyll College UHI (Telephone)

Chair of Perth College UHI

Chair of West Highland College

Chair of North Highland College

Chair of Shetland College UHI (VC)

Chair of Orkney College UHI (VC)

Independent Member – Director of Education (VC)

Independent Member HIE

Independent Member

Independent Member

Staff Member

HISA President

Chair SMO Board of Management (VC)

Chair of HTC

Associate Principal FE

In attendance

Seonag Campbell – Representing SDS

Sharon Drysdale – Representing SFC

Lydia Rohmer Principal of West Highland College UHI

Bill Ross Principal of Orkney College UHI (VC)

Fraser Durie Principal of Argyll College UHI

David Patterson Principal of Moray College UHI

Margaret Munckton Principal of Perth College UHI

Donald MacBeath Principal of North Highland College UHI

Iain MacMillan Principal of Lews Castle College UHI

Willie Shannon Director of NAFC (VC)

Fiona Larg UHI Chief Operating Officer and Secretary

Clive Mulholland Principal and Vice Chancellor

Crichton Lang Deputy Principal

Graeme Kirkpatrick, Director of HISA

Roger Sendall (*minutes*)**Apologies**

Gordon McGuinness, David Sandison, Brian Chaplin, Lorna Stanger, Crichton Lang, Fiona Larg, Clive Mulholland, Garry Coutts, Jana Hutt

Agenda Item**1****WELCOME**

The Chairman opened the meeting and noted that a quorum was present.

Declarations of interest: None**AOCB:** The Chair thanked the Vice Principal Further Education for organising a successful development session earlier in the day. It was noted that the AP Principals who had participated in the earlier session had been invited to stay on and observe the FERB meeting.**Action**

2 MINUTES

2.1 The minutes of the meeting held on 10th February 2016 (FERB16-015) were reviewed and approved subject to minor amendment.

2.2 **Matters Arising:** The following points were noted:

Financial Monitoring of assigned colleges (4.7.1 and 7.7.2)

FERB noted that HEPPRC had received a joint report from the Principal and Vice Chancellor and the Acting Principal of Moray College in relation to lessons learned from the Moray College issue which was now resolved. (4.7.1)

FERB noted that senior staff at North Highland College were currently continuing to work with EO colleagues to increase the NHC revenue position. (4.7.2)

2.3 The minutes of the FE Executive Board meeting held on 28th April 2016 (FERB16-016) were noted.

3 CHAIRMANS REPORT

The Chair highlighted the key issues which had been discussed during the morning's development session attended by members of FERB and the AP Principals and at which Marlene Wood independent Chair of the University's Strategy Working Group had presented a progress report. Additional sessions had included presentations on FE Governance and funding.

It was noted that the Chair wished to establish a short life working group to review current marketing initiatives/strategies and he requested that members should contact him if they wished to be involved.

4 GOVERNANCE PLANNING & FUNDING ISSUES

4.1 Shetland Tertiary Education, Research and Training Review

It was reported that good progress was being achieved in accordance with the above review and that NAFC and Shetland College were progressing plans for greater integration of their governance arrangements and service delivery. It was anticipated that this process would be concluded before the end of June 2016.

4.2 Student Activity Levels 2015-16, 2016-17 and 2017-18

The Principal of Orkney College provided a verbal report in connection with paper FERB16-017 containing an update on student activity levels achieved in 2015-16 and expected activity for future sessions including the key challenges associated with delivering against core and ESIF student activity targets.

4.3 European Structural and Infrastructure Funding

FERB considered paper FERB16-018 providing an update on initiatives that were being progressed to achieve further growth in FE delivery throughout the region as included within the University's Outcome Agreement (7% growth over three years).

It was noted that following a considerable delay that ESIF money was now beginning to flow to the University and that appropriate administrative procedures and controls were being developed to govern distribution of the funds to participating colleges consistent with strict European funding conditions.

4.4 **Scottish Funding Council Publications**

4.4.1 **SFC Letter of Guidance 2016-17 dated 23rd March 2016**

FERB noted paper FERB16-019.

4.4.2 **SFC College Funding 2016-17 dated 31st March 2016**

FERB noted paper FERB16-020.

4.4.3 **2016-17 Funding Analysis**

FERB considered paper FERB16-021 prepared by the Principal of Lews Castle College comprising an analysis of the SFC funding announcement and comparison with the regions 2015/16 allocation. The following key points were noted:

- A special meeting of FERB would be convened to agree the distribution of funds to individual colleges.
- The headline funding allocation for teaching activity in 2016/17 actually amounted to a 2.09% increase on the 2015/16 allocation not 4% as reported by SFC.
- FERB was concerned to note an unexpected reduction in the Capital Maintenance Grant (25% decrease) particularly in the context of maintaining a widely dispersed university estate with many buildings in remote and exposed locations.
- The impact of National Bargaining and increased salary costs would create significant challenges for UHI colleges.
- The Chair would write to the SFC setting out the regions concerns in response to the funding announcement. .

APFE

4.5 **Developing the Young Workforce**

4.5.1 **SFC Funding**

FERB agreed the proposed use and distribution of SFC funding as presented within paper FERB16-022. .

4.5.2 **Highlands and Islands Work-based Learning Hub**

FERB considered paper FERB16-023 providing an update on the activities of the Highlands and Islands Work-based learning Hub.

4.6 **Student Support Funding 2015/16**

FERB considered paper FERB16-024 providing a report in relation to the allocation of student support funding by colleges in 2015/16 and agreed to support the proposal contained within the paper to approve the allocation of surplus funds to Perth College UHI in order to equalise payments across the region.

4.7 Academic Partner Financial Information & Monitoring

4.7.1 FERB noted paper FERB16-025 prepared by the University’s Director of Corporate Resources comprising a summary of the financial information provided by assigned colleges and an assessment of the current information sharing arrangements in relation to ensuring that FERB and the RSB was able to monitor performance in accordance with statutory obligations.

It was noted that FERB members welcomed the addition of a new narrative summary in advance of the presentation of financial data, however, some members considered that the reports still contained too much financial information and it was agreed that the Finance Working Group should be directed to consider developing a dashboard style report for future meetings.

DoCR

4.8 Regional Business Processes

FERB noted FERB16-026 prepared by the Associate Principal Further Education setting out the key elements of processes that have been developed to provide assurance for FERB and to monitor the performance of delivery in relation to key FE activities.

Exit DP
15:40

4.9 Regional Quality Monitoring

FERB noted paper FERB16-027.

4.10 National Bargaining

FERB noted that the impact of National Bargaining on individual colleges would be significant and it was likely that some difficult decisions would need to be made by management teams to implement a national settlement. It was agreed that there would be a benefit in establishing a short life working group to review terms and conditions and to develop a consistent approach in relation to consulting with staff and implementing new conditions across the partnership.

Exit LH
16:00

4.11 Appointments to Assigned College Boards of Management

FERB considered paper FERB16-028 providing a summary of recent appointments of independent members to incorporated college boards of management.

FERB agree to endorse the recommendations contained within the paper to develop a consistent approach to administering and monitoring appointments and the recruitment process through the development of an appropriate template structure

The Chair thanked the independent members of FERB for their continued support and for participating in the recruitment and interview process.

4.12 Code of Good Governance for Scotland’s Colleges

Members noted the presentation slides provided by the Head of Governance & Records Management in connection with the recommendations of the Scottish Governments Good Governance Task Group.

5 RISK MANAGEMENT & INTERNAL AUDIT

5.1 Risk Register

FERB noted paper FERB16-029 comprising the current FE Risk Register and agreed Risk Policy and Risk Appetite statements.

5.2 AUDIT

The Chair explained that the University's Audit Committee were keen to enhance communications and partnership working with members of college audit committees and he requested that college chairs should encourage and support closer working including through the attendance of their Audit Chairs at two Audit Committee Chairs meetings each year organised by EO.

6 DATE OF NEXT MEETING

Next meeting – Date to be confirmed – A special meeting is needed to agree the distribution of FE teaching funds.

The next scheduled meeting is 7th September 2016.