

University of the Highlands and Islands

Committee Further Education Regional Board (FERB)
Date & Time Wednesday 7th September 2016 at 2pm
Location EO1 Ness Walk, Inverness
Purpose Scheduled meeting
Quorum Half plus one.

Present

Michael Foxley (Chair)	
Neil Stewart	Chair of Inverness College UHI
Grant Myles	Chair of Perth College UHI
John Hutcheson	Chair of West Highland College (VC)
Niall Smith	Chair of North Highland College (VC)
Peter Campbell	Chair of Shetland College UHI (VC)
Wilf Weir	Independent Member – Director of Education (VC)
Lisa Massie	Independent Member
Patrick O'Donnell	Staff Member
Luke Humberstone	HISA President (VC)
David Sandison	Chair NAFC
Clive Rowlands	Chair LCC (VC)
Irene Peterson	Associate Principal FE
Garry Coutts	Chair of University Court

In attendance

Seonag Campbell – Representing SDS
 Sharon Drysdale – Representing SFC
 Morven Cameron – Representing HIE (VC)
 Lydia Rohmer Principal of West Highland College UHI
 David Patterson Principal of Moray College UHI
 Diane Rawlinson Principal of Inverness College UHI
 Fiona Larg UHI Chief Operating Officer and Secretary
 Clive Mulholland Principal and Vice Chancellor
 Crichton Lang Deputy Principal
 Niall McArthur UHI Director of Corporate Services
 Roger Sendall (*minutes*)

Apologies Andrew Campbell, Euan Smith, Carroll Buxton, Calum MacPherson, Aideen O'Malley, Gordon McGuinness, Brian Chaplin, Ash Major

Agenda Item	Action
<p>1 WELCOME</p> <p>The Chairman opened the meeting and noted that a quorum was present.</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 12th May 2016 (FERB16-030) were reviewed and approved.</p> <p>2.2 The minutes of the meeting held on 13th June (FERB16-033) were approved.</p> <p>2.3 Matters Arising (FERB16-034): The following points were noted:</p>	

Item 1 - The Chair thanked the Principal of LCC and former Associate Principal FE for their efforts in securing additional funding from the Scottish Government via SFC to assist the region to meet the cost of National Bargaining in 2016/17.

Item 3 - The Chair confirmed that he had written to SFC earlier in the year setting out regional concerns with the 2016/17 funding announcement (missing credits/inadequate rurality funding), however, he had not received a formal response to date and the issues were ongoing. It was noted that Sharon Drysdale would raise the matter with SFC in an effort to facilitate a response.

SFC

2.4 **Minutes of FE Executive Board (FEEB)**

The minutes of the FE Executive Board meeting held on 23rd August (FERB16-035) were noted.

3 **CHAIRMANS REPORT**

The Chair highlighted the key issues raised from the FERB workshop event held on 19th August and it was noted that these comments would be fed back to the next meeting of the University's Strategy Working Group on 8th September. The Chair encouraged AP Chairs to send him a note of any additional comments or concerns that they wished to be raised with the SWG.

4 **GOVERNANCE PLANNING & FUNDING ISSUES**

4.1 **FE SUMS and Credit Activity**

FERB considered paper FERB16-036 providing an update on student activity levels against regional targets for the period 2011-12 to 2015-16. It was noted that the final total for 2015/16 was unconfirmed currently, however, it was anticipated that the University would exceed its regional FE credit target by approximately 3.18%. The final FES Return would be run in October and this would confirm actual performance.

4.2 **SFC "One Plus Guidance"**

FERB noted paper FERB16-037 providing an overview of the SFC's review of One Plus activity for 2016-17 and beyond. FERB noted that the regional data presented was currently uncleaned data and that the figure of 3.1% of programmes exceeding the 18 credit threshold was likely to reduce further. In addition, it was reported that the UHI figures were regarded as low in comparison with other regions in Scotland.

Concerns were raised that local employers did not regard 18 credit modules as sufficient to meet employer expectations in some areas and that the region had a duty to students and employers to deliver programmes that were relevant and aligned with employer needs. It was noted that the SFC understood this and that exceptions to the 18 credit threshold would be permitted in circumstances where there was an appropriate rationale and supporting evidence.

4.3 **European Structural and Infrastructure Funding**

FERB considered paper FERB16-038 providing an update of planned ESIF curriculum development across the region for 2016-17.

FERB was pleased to note that access to ESIF funding for SCQF level 5 and 6 activities had been restored and that the SFC and Scottish Government had accepted the principle that this level of activity was of particular importance to the University in terms of progression into HE programmes. However, FERB was concerned that the agenda for growth was overly reliant on uncertain ESIF

targets and that the processes and eligibility criteria relating to ESIF credit growth was overly complex. FERB agreed that efforts should be made to secure additional core credits for the region in preference to growth via ESIF targets.

4.4 National Consultations

FERB noted paper FERB16-039 providing an update on the current UK Apprenticeship Levy and Scottish Government Enterprise and Skills Review consultations.

4.5 National Bargaining

FERB received a verbal report from the Chairs of Academic Partners in relation to the impact of industrial action undertaken by members of UNISON the previous day. It was noted that all colleges had maintained full services and that any disruption had been minimal.

4.6 Academic Partner Resource Returns

FERB considered paper FERB16-040 providing a summary of the Financial Forecast Returns from the 8 UHI Assigned Colleges as submitted to SFC and projections from 5 non-assigned partners.

The UHI Director of Corporate Services highlighted the requirement and associated risks of the need for the 5 Assigned Incorporated Colleges as Public Bodies to collectively achieve a break even position at 31st March each year. This created a potential risk to the partnership of reduced future income if a breakeven position was not achieved. The current outlook for March 2017 was a collective deficit of (£386k) with only Perth and Inverness colleges predicting a breakeven position. Accordingly, there was an urgent need to progress more joined up planning between these 5 colleges and to establish an appropriate recovery plan within those colleges that were currently forecasting substantial losses. It was agreed that the UHI Director of Corporate Services would work with the Principals and Finance Directors of the 5 colleges affected by this requirement with a view to recasting the budgets to achieve a breakeven position as required and report to the FE Executive Board. It was noted that a special meeting of FERB may be convened if necessary to consider implications from this exercise.

4.7 Impact of Brexit

FERB noted paper FERB16-041 providing an overview of the impact on UHI of the outcome of the UK Referendum decision to exit the European Union.

FERB noted that access to EU structural funding was of critical importance to the University's development and current strategic objectives and highlighted the need to ensure that the University's position and reliance on structural funds was properly understood within government.

4.8 FE Governance Task Group – Implementation of Recommendations

FERB noted paper FERB16-042 in relation to the above subject.

It was agreed that FERB would receive twice yearly reports from the Associate Principal setting out the current gender balance on each assigned college board.

DoCS

APFE

4.9 Audit Scotland Report – Review of Scotland’s Colleges

The Chair expressed concern that the report contained numerous inaccuracies and a lack of understanding in relation to the true impact of the ONS decision to reclassify colleges as public bodies and the difficulties for colleges to make long term plans in the context of uncertain future income. It was noted that the SFC were also unhappy with elements of the report and that a collective response would be prepared and submitted to the Auditor General via the Scottish Government.

4.10 SFC and Education Scotland Quality Arrangements

FERB noted paper FERB16-044 providing an overview of new yearly quality self-assessment assurance arrangements linked to enhancement plans and the regional outcome agreement that would be effective from AY 2016-17 in place of the current four-year cycle of inspections and reviews. FERB noted that a number of Principals were concerned that the new measures were being implemented too quickly and that a transition year would be preferable. These concerns would be reported back to the SFC.

4.11 Developing Scotland’s Workforce

FERB noted paper FERB16-044a providing an update on progress with the above work stream.

5 RISK MANAGEMENT

5.1 Risk Register

FERB noted paper FERB16-045 comprising the current FE Risk Register and agreed Risk Policy and Risk Appetite statements.

It was noted that FERB would receive a copy of the University’s full corporate risk register at future meetings.

HoGRM

6 DATE OF NEXT MEETING

Next meeting – The next scheduled meeting is 23rd November 2016.