

Further Education Regional Board

03 September 2019, 11:00 to 16:00

EO1-EO2, 12b Ness Walk, Inverness IV3 5SQ (Dial in code:

79645@uhi.ac.uk)



Attendees

Board members

Michael Foxley (Chair), Andrew Campbell (Chair - Argyll College UHI), Ian Minty (Chair - Lews Castle College UHI), Peter Graham (Chair - Moray College UHI), David Sandison (Chair - AFC Marine Centre UHI), Blair Sandison (Chair - North Highland College UHI), Brian Crichton (Chair - Perth College UHI), John Hutchison (Chair - West Highland College UHI), Linda Kirkland (Independent), Bruce Robertson (Independent), Stephen Sheridan (Independent - Skills Development Scotland), Wilfred Weir (Independent), Alan Simpson (HISA President), Diane Rawlinson (Vice Principal Further Education)

In attendance

Crichton Lang (Interim Principal and Vice Chancellor UHI), Garry Coutts (Chair of Court), Fiona McLean (Court Vice Chair), Lydia Rohmer (Vice Principal Tertiary), Fiona Larg (Chief Operating Officer & Secretary), Niall McArthur (Director of Corporate Resources), Margaret Cook - in part (Principal - Perth College UHI), David Patterson (Principal - Moray College UHI), Sue Engstrand - in part (Dean of the Faculty of Science, Health and Engineering), Linda Stewart - in part (Director of European and International Development), Matt Tyrer - in part (Work-Based Learning Project Manager), Nicholas Oakley (Clerk)

[Action \[Owner\]](#)

Meeting minutes

1. WELCOME & APOLOGIES

 [Agenda - FERB 3 Sept 2019.pdf](#)

1.1. - Welcome

The Chair opened the meeting and noted the apologies.

1.2. - Apologies

Apologies received from: John Ferguson, Carroll Buxton, Neil Stewart, Seonag Campbell.

1.3. - Declarations of Interest

There were no declarations of interest.

1.4. - Notification of Any Other Competent Business

There was no other competent business declared.

1.5. PRESENTATION - Matt Tyrer - WBL Hub Developments/Progress Report/Plans

[M Tyrer joined the meeting]

Matt Tyrer, UHI Work-Based Learning (WBL) Project Manager, gave members a presentation on the Work-Based learning hub, including its new strategic aims, year-by-year growth, the next phase of contracting for 2020-22 which is underway, the prioritisation of growth aligned with industry demand, and enhanced and wider employer engagement. Members welcomed the good progress made. The following was also reported in the Q&A:

Skills Development Scotland (SDS) were very keen to assist with all aspects of the WBL, including the next phase of contracting.

There is a mixture of delivery methods, including an innovative online model. Members noted that it was important to roll out and share good practice, especially around rural delivery, to all the partners as there has been some feedback that access in some areas has been difficult. There had been very strong response amongst employers across the Highlands and Islands (H&I) region to the graduate apprenticeship program. A franchising opportunity exists for colleges around graduate apprenticeships which may expand their reach beyond the H&I region. Finally, members agreed that there is an important narrative about how this fits into a broader and open tertiary approach to education that should be capitalised upon, especially in light of the WBL's great success and significant growth year-on-year.

[M Tyrer left the meeting; B Sandison joined the meeting]

2. MINUTES OF MEETINGS

2.1. Minutes of the FERB meeting held on 7th May 2019

Members reviewed the minute of the previous meeting. A request for an amendment to item 4.1 NMIS (National Manufacturing Institute Scotland) was agreed to clarify Perth College UHI's position that they would continue to act independently on any Tayside City Deals. Members approved the minute as an accurate record of the meeting pending this amendment.

 FERB19-038 Minutes_Further Education Regional Board_070519.pdf

2.2. Matters Arising

Members reviewed the matters arising. The following updates were noted for items not covered elsewhere on the meeting agenda:

1. Update on Knowledge Exchange and Innovation. An update will be provided at the next FERB meeting in November.
2. Update on Shetland merger. The proposed vesting date is 6 January 2020. A principal designate has been secured. Details still to be clarified around naming of the new entity.
3. Northern Alliance advisory forum positions – Chair put forward volunteer names but communication is slow; this will be followed up by Wilf Weir.
4. Dashboard reporting – delays on the project. Original FE reporting officer moved to a different team and a replacement has not yet been recruited.
5. Regional deployment at LCC - members noted Sue MacFarlane's appointment to the post.
6. DIA - Shetland Islands Council include Shetland College staff in their return to the Scottish Government and are compensated for this payment. Western Isles Council and Orkney Council do not and the cost of DIA is borne by the colleges. The Chair and VPFE attempted to have Colleges Scotland include this in their Comprehensive Spending Review Submission. Despite the provision of detailed financial impact to CS only a passing reference was made. The Chair will raise this at the CS Board meeting at the end of the month.
7. Summary of FFR assumptions. The Director of Corporate Resources reported that the SFC had produced FFR guidance and this has been reviewed at the last FDPG meeting; members asked that this SFC guidance be circulated to FERB members alongside a document summarising what had been agreed so far and what was still under discussion [DoCR].

 FERB19-39 Matters Arising summary.pdf

2.3. Review of Delegated Decisions

There were no delegated decisions.

3. CHAIRMAN'S REPORT:

The Chair gave members his report. He noted that further work was continuing on veterans' access. It was reported that student support resource at EO was involved in this; the Chair requested that this resource make contact with him to align strategy and work plans.

4. GOVERNANCE, PLANNING & FUNDING MATTERS

4.1. Early thoughts from the new Interim Vice Chancellor

Professor Lang, the Interim Principal and Vice Chancellor (I-PVC) gave FERB members a statement on his new role. He emphasised that it was important for the university to maintain positive external messages. Sectoral dialogue with the Scottish Funding Council (SFC) had made it clear that the funding environment will become even more challenging, the budgets of the SFC and the enterprise agencies are being squeezed, and that there is an expectation on universities to find innovative, regionally contextualised, radical solutions to delivery in the diminishing funding environment.

The I-PVC reported that it was vital to build strong, coherent, evidence-based narrative on how activities are delivered and the impact they have on the region and communicate these widely, and set an aspiration to secure funding on this basis. The university will continue to meet with SFC and others to ensure alignment of regional educational strategies and needs, and it is important to emphasise to SFC how investing in the university is also an investment in the region.

The I-PVC also reported that other activities include:

1. Reviewing the Partnership Council agenda – and particularly how at an executive level UHI can shift relationships into a more collective, collaborative dialogue and to form strategy
2. Examining changes for removing or reducing bureaucracy, and changing communications within Executive Office (EO) and between EO and Academic Partners.
3. Conducting a challenge review of EO resources and efficiencies, as well as a review of committee structures and the resource allocation methodology.
4. These key actions will be scoped and initiated within six months, and some of these will be driven by Programme Board. Plans will be shared with the university executive, Court and FERB in due course.
5. Create an open, collaborative, and collegiate corporate environment for open and respectful dialogue and robust but constructive challenge.

The Chair thanked the I-PVC for the update and the members welcomed both the spirit and content of the I-PVC's priorities and proposed activities.

[I Minty joined and L Kirkland left the meeting]

4.2. Programme Board Update

The I-PVC gave members a brief update on the activities of the Programme Board, of which he is the Chair. He reported that a common theme amongst all stakeholders is the need to pick up the pace of change; with this in mind he was pleased to report that workplans, including timelines and deliverables were being progressed, for implementation at the beginning of 2020. The I-PVC reminded members that the Programme Board can only recommend proposals, and that the authority to adopt these remained with university Court and the Academic Partner Boards.

The I-PVC also apologised that the date for the next Assembly Programme Board (10th October) had not been properly confirmed with all assembly members. An event will likely take place on the 10th, with a full assembly meeting to be rescheduled to allow fuller attendance.

4.3. Impact of Brexit Update

[L Stewart joined the meeting]

Linda Stewart, UHI Director of European and International Development, gave members an update on the current position and the university's planning around Brexit. Planning continues to focus on a no-deal Brexit, but regardless of whichever outcome, the main areas of concern stand in the majority of the likely scenarios.

£300m of European funding has been leveraged since 1990s, which has had a transformative and foundational impact on the university. It is estimated that £50m worth of current projects are European funded. Priority has been given to keeping access to funding streams in the remainder of the accessible funding mechanisms; as well as access to replacement funding in new 2021-27 funding programme, including domestic funding. Structural ESIF funds are of the greatest relevance – and potential loss – these are due to be replaced by a UK shared prosperity fund based on UK industrial strategy, including a commitment to 'supporting regions to achieve their potential'. This is supposed to commence in January 2021, but not many details were yet forthcoming. The SG have announced a Steering Group on the fund and UHI will continue to work closely with this group.

There are still major concerns about recruitment and retention of students and staff, particularly Erasmus students. The additional risk of vacancies in the region post-Brexit also may make FE and HE less desirable for school leavers.

Colleges Scotland Brexit checklist has been recently circulated and L Stewart reported that it is very useful and worth reviewing, and that a network-wide version was in development.

CoHI discussed this issue and were keen to test whether there may be any unintended consequences of the structural funds replacements on the H&I region; the Chair of Court will ensure this is discussed further at the next CoHI meeting as it was vitally important to understand and where possible influence the criteria of the funding.

Members asked what activities partnership executives are taking to a) gauge and b) mitigate impact on staffing levels across the partnership. A previous exercise to analyse the staff cohort had been conducted and members agreed that this be redone and an overview circulated for the next FERB meeting [L Stewart], noting the extreme sensitivity of the issue.

[L Stewart and G Coumts left the meeting]

 FERB19-45 Impact of Brexit 190903 .pdf

4.4. Tay Cities Deal - Skills Planning

[M Cook joins the meeting]

Margaret Cook, Principal of Perth College UHI, gave members an update for information on the Tay Cities Deal programme and Perth College UHI's potential involvement, including the status of the Aviation Academy for Scotland Project.

Members noted that the request in the paper for a £654,000 contribution for scoping work from EO was still due to be discussed by EO and Perth College UHI [M Cook and F Larg agreed to discuss this further outwith the meeting].

Members noted that a comprehensive re-write on the Islands deal was still underway, so this will be discussed at the next FERB meeting.

[M Cook left the meeting]

 FERB19-41 PCUHI Involvement in TCD Sept 19.pdf

4.5. Argyll Rural Growth Deal - Skills Planning

Members noted for information the report on the Argyll and Bute Growth Deal.

 FERB19-43 Growth Deal Argyll.pdf

4.6. Moray Growth Deal - Skills Planning

David Patterson, Principal of Moray College UHI, gave members an update for information on the Moray Growth Deal and Moray College UHI's engagement with the bid. He reported that the majority of the development is in HE, but that the College is also looking at provision for the FE pipeline. Heads of terms now being negotiated and NDAs still in place with some partners. He reported that capital funding for the campus was originally considered part of the bid, but that recent messages was that this wasn't an appropriate funding opportunity. Moray College UHI also welcomed and thanked the input and expertise of Perth College UHI colleagues who have advised on the process.

 FERB19-42 Moray Growth Deal.pdf

4.7. Highlands and Islands Regional STEM Hub Update

[Su Engstrand joined the meeting]

Members noted the paper and the proposed model for STEM activity in the region, whereby each AP will have a satellite hub for STEM activity under a H&I Regional STEM hub. S Engstrand confirmed that she was still awaiting confirmation on administrative support resourcing from SFC.

Members discussed the proposal, and in particular whether the approach was consistent with the decision taken at the previous FERB meeting to ask SSA to take leadership of these hubs. Members agreed that more information was needed about the future involvement of HIE, which members agreed should remain at the core of the work in terms of both resourcing and leadership, and asked S Engstrand to arrange a meeting with HIE/ SSA and the Chair of FERB to ensure strategic alignment. Members also agreed that the I-PVC and the VPFE meet with S Engstrand to discuss FERB's concerns and clarify reporting and decision-making responsibilities around the STEM Hub's work.

[S Engstrand left the meeting.]

 FERB19-49 STEM Aug 2019 update.pdf

4.8. Branding and Positioning Project Update

Lydia Rohmer, Vice Principal Tertiary, gave members an update on phase 2 of the branding project, including the proposed simplification of visual identity. She reported that the option currently favoured by colleges was option 3 – a more unified visual identity approach but still allowing local identity and context. The college term will also be retained for the time being. Scope for an option 3+ that may include some elements of options 4 & 5 - including a potential move to a single colour scheme and a single logo icon – was also underway. Members noted the very positive response and agreed there was consensus for option 3, with a majority supporting 3+. Members were reminded that this project has a significant time and resource requirement and impact, but so far the project has had considerable buy-in. Following further consultation, a fuller proposal will be developed (including resourcing).

4.9. NMIS (Advancing Manufacturing Challenge Fund)

Members heard that a coordinated, regional H&I bid was not forthcoming despite FERB's decision at the last meeting. Members heard that match funders' guidance may have been influential on members pulling out of the regional bid to focus on their own individual bids.

Members expressed their disappointment that, as in the decision around the item on the STEM hub, FERB's decisions were not being either properly communicated or implemented by the partnership executive. The I-PVC was asked to consider how these issues might be addressed and improved upon.

 FERB19-44 NMIS AMCF paper.pdf

4.10. Strategic Approach to SFC FE Funding Reduction 2020-2023

Niall McArthur, Director of Corporate Resources, gave an update on the SFC FFR guidance for FE funding, and SFC's plans to return to formula funding by 2022/23.

Members discussed the challenges of the funding environment, and in particular ways of mitigating reductions in FE funding by better managing distributions, improving the efficiency of the FE delivery model and more innovative business processes. Members discussed whether the default position of the university and partnership executive when discussing these should be that back-office and support functions should be provided by single services, and asked that the executive scrutinise the combined costs of the institutions and identify where savings may be made. Members also stressed that greater transparency about where elements of funding are going within the partnership is vital moving forward. Members also requested changes to the paper, including:

- On point 1, changing 'explore with' to 'challenging' the SFC's calculations and assumptions about funding.
- On point 2, changing this to 'maximise consistency across the partnership in FFR reviews.'
- On point 5, changing 'investigate the possibility' to 'identify compelling cases for shared/ single services'.

Members noted that the FFRs are due to be completed by partners at the end of September 2019, and once these have been received the scale of the challenges facing each college will be discussed at the next FERB meeting.

 FERB19-46 Strat Approach to Funding Reduction 20-23.pdf

4.11. Development of an Efficiency Measurement Mechanism

N McArthur gave members an update on the development of an efficiency measurement mechanism. Members approved the proposal to get partnership FD's together to collate 17/18 information as a baseline. The action plan from the RSB self-evaluation includes the timescales, but the working group timescales aren't defined enough. Members therefore asked that a project outline/ plan be better developed.

 FERB19-47 Development of an efficiency measurement mechanism.pdf

4.12. End-of-year Student Activity Report

The VPFE reported that she anticipated making target but only as the result of significant effort to add for planned delivery at extra cost. SFC were also aware of the partnership's difficulties in achieving target numbers, and this may influence their decision on any proposal for future growth.

 FERB19-48 Student Activity Paper.pdf

4.13. Effectiveness Review Summary Report

Members agreed that the effectiveness review reports merited further additional discussion and requested a special meeting to discuss this. The Chair agreed to discuss with the Chair of Court the possibility of a special meeting, and asked that the complete effectiveness review on all the UHI committees and Court be circulated to members to give better context.

[B Sandison left the meeting].

 FERB19-50 Effectiveness Review Summary 2019.pdf

4.14. University Induction Sessions

Members discussed the university induction sessions for board members, the first of which was due take place in September but had not attracted much interest. Members confirmed that there was appetite for this but more notice was required and more information about who and what this was for should be included. Members agreed to reschedule the September meeting for November/ December 2019 [Clerk].

5. AUDIT, RISK MANAGEMENT & REPORTING

5.1. Risk Management - FE Risk Register and UHI HLRR

Members noted the FE risk register. Members suggested that terminology such as 'positive RAM' is overly technical jargon and may obscure understanding of the issues. Members asked the registers be reviewed in light of this and changes made where appropriate.

 FERB19-51 Risk Register.pdf

5.2. Academic Partners Financial Status Reports

Members noted the financial status reports. The Chair challenged the self-reporting RAG status of both SMO and LCC, which should be amber/ red rather than green. P Graham noted his significant concerns about Moray College UHI's financial sustainability.

 FERB19-52 AP Financial Monitoring.pdf

6. ANY OTHER BUSINESS

There was no other business and the Chair closed the meeting at 16:40.

7. DATES OF FUTURE MEETINGS:

7.1. - 7 November 2019

7.1.1. - 12 February 2020

7.1.2. - 5 May 2020