

OUR ISLANDS OUR DEAL

Project Title:

Shetland Campus Redevelopment Project

Strategic Outline Case (SOC)

Version	Release Date	Change Notes



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2. Executive Summary

Introduction

This Strategic Outline Case examines options to invest £2.0 million in upgrading and enhancing the learning facilities in Shetland's colleges and learning centres (as part of the University of the Highlands and Islands) to provide a local network of 21st century learning facilities capable of providing flexible learning opportunities to meet the needs of 21st century learners, employers, businesses and communities, and of the 21st century Shetland economy.

The proposed project will make more learning opportunities available to more people in Shetland, as well as the other island groups and the wider University of the Highlands and Islands area, and help meet the training and skills development needs of current and emerging local businesses (such as renewables, decommissioning and satellite launching). This will contribute to economic development and inclusive growth in the islands as well as to the zero-carbon economy.

This will be achieved by using the new facilities and infrastructure to make more learning opportunities available online and by distance learning and to support learners remotely. This will improve students' learning experiences, reduce current barriers to accessing learning (caused by geography or personal circumstance, for example), and expand learning opportunities. Strengthening links with schools and providing 'learner journeys' into college, university or the world of work will be a priority in particular by promoting and facilitating training and education in STEM subjects.

The proposed project will contribute to the delivery of a range of Strategic Plans at local, regional and national levels, including Shetland's Partnership Plan; the Shetland Colleges' Merger Business Case; the University of the Highlands and Islands Strategic Vision and the University's Islands Strategy; Highlands and Islands Enterprises' Strategic Vision; Colleges Scotland's, Skills Development Scotland's and Developing the Young Workforce's aims and priorities; and the Scottish Government's STEM Strategy, National Outcomes and National Islands Plan.

Background

Shetland is an island community with a population of some 23,000 people.

Shetland's colleges (NAFC Marine Centre and Shetland College) together with Train Shetland are being merged to create a single new college for the Islands (see Appendix 1). The existing colleges provide a wide range of learning opportunities for local people, ranging from school to post-graduate levels.

The Islands' economy is strongly dependent on industries such as seafood (fishing, aquaculture and processing), engineering and construction, and there has been a strong emphasis on the provision of vocational training to meet the needs of these sectors. The oil industry's contribution to the local economy has declined since its peak in the 1970s and 1980s, but new industries such as oil installation decommissioning, renewable energy (both marine and onshore) and satellite launching offer significant potential for future growth and will bring their own distinctive employment and training needs.

While almost half of local employers have said that their training needs are met by local colleges, one in five employers said that suitable staff training is not available in Shetland (2017 Employment Survey). Half of respondents to the 2018 Skills Survey said that required training was not available locally while one in five cited cost, timing or awareness of courses as reasons for not using local providers.

Although unemployment has been relatively low in Shetland, there have recently been significant job losses (for example, closure of Scatsta airport and Moorfield Hotel) due to changes in the Islands' economy and unemployment in the Islands more than doubled between July 2019 and June 2020¹. The COVID-19 pandemic has the potential to have a significant further impact on Shetland with more than one-quarter of jobs potentially at risk¹. Uncertainties around Brexit also pose a potential threat to the Islands' economy.

While there is a network of learning centres in rural areas of Shetland, most of the learning opportunities offered at present are relatively 'traditional', depending on face-to-face teaching in fixed-timetable classes using on-campus facilities. Despite some piecemeal updates, most college learning facilities are at least 20 years old. Student facilities are poor – something that is frequently brought up in student feedback – with inadequate space for self-study and very limited space for students to relax and socialise.

The coronavirus pandemic and associated lockdown have further highlighted the advantages of being able to offer learning opportunities in novel and innovative ways that do not depend on face-to-face teaching in traditional college-based classes.

Objectives

The principal objective of the proposed project is to upgrade and enhance Shetland colleges' facilities to enable them to provide more local training and learning opportunities (more courses) to more people throughout the islands and to help meet the training and skills development needs of current and future businesses and industries. Beneficiaries will include school pupils, apprentices, employees, the unemployed and those returning to education, as well as school-leavers and potential or actual employers of these people.

This project will complement the proposed TalEntEd project, which is focussed on training and skills and workforce development, by enhancing Shetland's college(s) capacity to deliver relevant training and learning opportunities, not only in Shetland but, through distance and online learning technologies, also to learners in the other island groups within the partnership; thus helping the latter project to achieve its objectives.

The funding sought through this project is required to address a long-standing lack of capital investment in Shetland's college facilities and the absence of other sources for the resources necessary to provide 21st century learning facilities in the islands.

Specific objectives include:

- ◆ Enhancing students' learning experiences in Shetland by improving access to learning opportunities and improving facilities for students.
- ◆ Reducing barriers to learning for people in Shetland caused, for example, by geography or personal circumstances by providing more local (community-based), online and flexible learning opportunities.

¹ The Impact of COVID-19 on the Highlands and Islands. HIE Report Sept. 2020.

- ◆ Increasing the colleges' resilience and their ability to deliver learning opportunities in new and innovative ways.
- ◆ Expanding life-long learning opportunities for people in Shetland.
- ◆ Meeting the needs of both existing and new businesses in Shetland by training the workforce to meet the needs of both employers and employees.
- ◆ Promoting and facilitating the use of college facilities by businesses to meet their own needs.
- ◆ Meeting the needs of communities by providing accessible learning opportunities through permanent learning centres and temporary 'pop-up' facilities.
- ◆ Promoting and facilitating the use of college facilities by communities to meet their own needs.
- ◆ Strengthening links with Shetland's schools through school-college educational opportunities, which bridge the gaps between school and college or university and between school and the world of work. In particular, promoting and facilitating education and training in STEM subjects (Science, Technology, Engineering and Mathematics).
- ◆ Exploring new educational and training needs and developing new opportunities in Shetland both to meet the future needs of the islands' population and businesses (both existing and new) and to attract more learners from outside the islands (both physically and virtually, via distance learning).

Outcomes

The main outcome of the proposed Shetland colleges campus redevelopment project will be to make more learning opportunities available to more people across the islands and to better meet the training and skills development needs of existing and emerging business in the islands. A particular focus of the project is on increasing opportunities to learn flexibly online and remotely without having to attend traditional classes at fixed times and places.

Specific outcomes from the proposed project will include:

- ◆ Increased number of flexible, online and remote learning opportunities that do not require attendance at -traditional classes.
- ◆ Increased number of people accessing learning opportunities in Shetland (including those disadvantaged by geography or personal circumstances).
- ◆ Increased number of school pupils engaging in STEM subjects and strengthened links with local schools.
- ◆ Increased numbers of employees undertaking training and strengthened links with local businesses.
- ◆ Increased use of learning centre facilities and strengthened links with local communities.
- ◆ Increased number of learning opportunities relevant to new and developing industries in Shetland.
- ◆ Increased number of non-residents studying in Shetland (either face-to-face or virtually).

3. Strategic Case

The purpose of the Strategic Case is to explain how the scope of the proposed project or scheme fits within existing business strategies, and to identify the preferred way forward by providing a compelling case for change, in terms of existing and future operational needs.

Part A: The strategic context

The principal local strategic driver for this investment is **Shetland's Partnership Plan**, which aims to help make Shetland:

an attractive place to live, work, study and invest, where people will be accessing... employment [and] education... in innovative ways designed to minimise the barriers to involvement for all and where all areas of Shetland will be benefitting from a more resilient low carbon economy underpinned by a culture of innovation, inclusion and skills development.

The proposed project will also contribute to the delivery of a range of other strategic plans at local, regional and national levels, including the Shetland Colleges Merger Business Case; the University of the Highlands and Islands Strategic Vision and the university's Islands Strategy; Highlands and Islands Enterprises' Strategic Vision; Colleges Scotland's, Skills Development Scotland's and Developing the Young Workforce's aims and priorities; and the Scottish Government's STEM Strategy, National Outcomes and National Islands Plan.

3.1 Organisational overview

Shetland

The 2019 Mid-Year Population Estimates for Scotland estimated Shetland's population at 22,090, spread across 16 inhabited islands, with the main population centre of Lerwick home to roughly 7,000 inhabitants.

Employment in Shetland is dominated by public administration, which accounts for 21% of full-time equivalent (FTE) employment. The next largest sectors in terms of employment are wholesale/retail (12%) and construction (8%).

The most recent economic survey conducted in Shetland found the overall output value of the local economy (based on combined output from all sectors) to be £1,091 million, of which around £198 million can be attributed to public services and £311 million can be attributed to seafood industries (fish catching, aquaculture and fish processing).

Shetland Islands Council

Shetland Islands Council is the local authority for Shetland, established by the Local Government (Scotland) Act 1973. The Council delivers services including, but not limited to, education, environmental health, roads and ferries, port services, planning, community development, economic development and social care.

The Council is structured around five Directorates:

- ◆ Children's Services;
- ◆ Community Health and Social Care Services;

- ◆ Corporate and Executive Services;
- ◆ Development Services;
- ◆ Infrastructure Services.

These Directorates encompass the various services the Council operates to deliver on its statutory responsibilities and priorities.

Shetland Fisheries Training Centre Trust

Shetland Fisheries Training Centre Trust (SFTCT) promotes the development of the Shetland fisheries and maritime sectors, including fish catching, fish processing, fish farming, marine engineering, navigation, seamanship, research and all related ancillary activities. It does this through advice, support, training and research.

SFTCT is a registered charity governed by a Board of Trustees; the Board is comprised of representatives of the local seafood industry and a number of independent appointees and is responsible for operating the **NAFC Marine Centre UHI**.

NAFC Marine Centre UHI

Originating in 1992 as the North Atlantic Fisheries College, the NAFC Marine Centre is an educational and scientific institute, which supports training and development in Shetland's maritime industries, including the seafood sector. The Centre is an academic partner of UHI and is operated by the Shetland Fisheries Training Centre Trust.

NAFC delivers a range of training and qualifications related to maritime industries, including qualifications in the engineering, fish catching and aquaculture sectors (including Modern Apprenticeships), and courses to train and qualify seafarers, including the Merchant Navy Cadet Programme.

NAFC carries out a range of applied research and development projects in subjects relevant to the fishing and aquaculture industries, marine spatial planning and the marine environment in general. These include the assessment of shellfish stocks, analysis of fish catching trends, provision of fisheries management advice in support of policy development, and the preparation of the Shetland Islands Marine Spatial Plan and associated guidance. Research can be provided on a contract or consultancy basis.

Facilities at NAFC include a ship bridge simulator, research/teaching laboratories, a marine hatchery and engineering workshops. The NAFC Marine Centre operates a number of vessels for research, survey, training and other purposes – these include a 12m fishing vessel and a 12.5m survey/training vessel, which is equipped to carry out seabed and hydrographic survey work and benthic sampling, as well as for nautical training.

NAFC employs 18.2 FTE staff in Marine Sciences, 16.5 FTE staff in Training and 10.1 staff in Central Services.

The NAFC Marine Centre campus is located at Port Arthur in Scalloway.

Shetland College UHI

Originating in 1970 as the Shetland College of Further Education, Shetland College is an academic partner of the University of the Highlands & Islands (UHI) and a part of Shetland Islands Council's Development Services Directorate.

The College offers a wide range of study options, from national certificates to postgraduate degrees, across a variety of subjects, including creative industries, ICT, business & hospitality, health & social care and construction.

Facilities at the College include an Apple Mac suite, video conferencing facilities and construction workshops, as well as the Textile Facilitation Unit, which hosts three Shima Seiki knitting systems and a range of finishing equipment. The College also hosts the UHI Chair in Rural Creativity and is one of three key locations (including Orkney and Perth Colleges) from which the Institute for Northern Studies operates. Creative courses, including music and film, are delivered in Mareel through a Service Level Agreement with Shetland Arts Development Agency.

Shetland College also includes the Train Shetland service, which comprises two separate functions:

- ◆ Short Courses delivers a range of training courses to employers in Shetland across various disciplines, including first aid, business management, ICT, health & safety and construction. The centre is accredited by a number of compliance bodies including Highfield ABC, REHIS and OCR, and is the local Construction Plant Competency Scheme (CPCS) centre. Short Courses provides business and related training as part of the local Business Gateway service, and also operates as an examination centre for professional bodies and further/higher education institutes outside of Shetland.
- ◆ Vocational Training co-ordinates Modern Apprenticeships across a range of industries, including construction, business & administration, health & social care, engineering, vehicle maintenance, agriculture, hospitality and services. This is done through an annual delivery contract with Skills Development Scotland.

Shetland College operations are under the authority of the Shetland College Board, while overall strategic authority remains with the Education & Families Committee. Staffing issues are under the authority of the Policy & Resources Committee.

The College employs 31.7 FTE lecturing staff and 26.6 FTE support staff, plus 5 FTE staff in Train Shetland Short Courses and 4.7 FTE staff in Train Shetland Vocational Training.

Shetland College's main campus is located at the Gremista Industrial Estate in Lerwick, with Train Shetland located in an adjacent building. The College also operates rural learning centres in Yell, Unst, Whalsay, Brae and Lerwick.

3.2 Business strategies

Shetland Colleges Ministerial Merger Business Case

The planned merger of the NAFC Marine Centre, Shetland College and Train Shetland (see Appendix 1) has the following goals:

- ◆ To achieve the best possible student experience, providing more opportunities educationally, socially and pastorally, than can be achieved by separate entities;
- ◆ To make tertiary education in Shetland sustainable, in ways that cannot be achieved by retaining separate entities with diminishing resources;
- ◆ To change and innovate, and build capacity amongst staff;
- ◆ To build on our relationships with Shetland schools, communities and employers and respond to their ambitions and aspirations for post-school local learning and research.

Shetland's Partnership Plan 2018-2028

The Shetland Partnership, of which the Council is a key member, is the Community Planning Partnership for Shetland. Shetland's Partnership Plan 2018-2028 reflects the shared vision of the local area and the partner organisations:

"Shetland is a place where everyone is able to thrive; living well in strong resilient communities; and where people and communities are able to help plan and deliver solutions to future challenges."

"Shetland is an attractive place to live, work, study and invest, where people will be accessing... employment [and] education... in innovative ways designed to minimise the barriers to involvement for all and where all areas of Shetland will be benefitting from a more resilient low carbon economy underpinned by a culture of innovation, inclusion and skills development."

Shetland's Partnership Plan sets out the shared priorities of the Shetland Partnership for 2018-2028, which are as follows:

- ◆ **People:** Individuals and families thrive and reach their full potential.
- ◆ **Participation:** People participate and influence decisions on services and use of resources.
- ◆ **Place:** Shetland is an attractive place to live, work, study and invest.
- ◆ **Money:** All households can afford to have a good standard of living.

The proposed project will help address the following targets in the Partnership Plan:

- ◆ 97% of school leavers will be in positive destinations (education, employment, training, and personal development) in 2021, rising to 98% by 2028 (currently 96.1%);
- ◆ No more than 15% of businesses are struggling to fill vacancies due to a lack of local labour in 2021, and no more than 5% in 2028 (currently 20%).

The relevant ten-year outcomes from the Plan are as follows:

People

- ◆ The number of disadvantaged people and households in Shetland will be considerably reduced as a result of people being enabled and empowered to address the issues they face and helping others to thrive in the same way.

Place

- ◆ People will be accessing employment, education and services in new and innovative ways designed to minimise barriers to involvement for all.
- ◆ Shetland will be attracting and retaining the people needed to sustain our economy, communities and services.

Money

- ◆ Everyone will be able to access the support they need to maximise their income potential; including innovative, flexible and entrepreneurial employment opportunities throughout Shetland.

10 Year Plan to Attract People to Live, Study, Work and Invest in Shetland

A key objective for the Shetland Partnership is to develop and implement a ten-year action plan to attract people to live, work, study and invest in Shetland. This plan is predicated on the link between a healthy demographic balance and the ability to sustain communities and services and compete economically.

The vision of the 10 Year Plan is:

“In 2028 Shetland will:

- ◆ Be an island of opportunity for young people, businesses and investors;
- ◆ Be a vibrant and positive student destination;
- ◆ Have a more balanced demographic profile and a growing population underpinned with more private sector jobs.”

In order to achieve this vision, one of the objectives of the Plan is:

- ◆ To foster an environment that supports entrepreneurship and sustainable learning and research.

Under this objective, the plan identifies the following key priorities:

- ◆ Expansion of Modern Apprenticeship programmes across all disciplines and access funding from the Apprenticeship Levy;
- ◆ Development of Further Education programmes in developing skills areas and work with local businesses and community partners to develop a skills investment plan;
- ◆ Further develop HE programmes which retain and attract in students e.g. the performing arts programme with Shetland Arts in Mareel;
- ◆ Provision of short courses for businesses;

Shetland Islands Council – Our Plan 2016 to 2020

Ensuring inclusive growth through developing the skills of local people and creating well-paid jobs is a core part of the Council’s vision. The Council’s current Corporate Plan: Our Plan 2016 to 2020 states:

“A stronger economy which has well-paid jobs available to more people has the potential to produce a more prosperous and fairer society in Shetland.

The long-term community plan aim is for Shetland to have good places to live as well as sustainable economic growth with employment opportunities, and for our residents to have the skills they need to benefit from those opportunities.”

The Council's Corporate Plan highlights the following as priorities for improving the economy and quality of life in Shetland:

- ◆ The tertiary education, research and training project will have created an effective model for providing excellent services to our learners.
- ◆ There will be opportunities for people with all levels of skills, and there will be a close match between the skills that businesses need and those that the trained workforce has.
- ◆ We will have an economy that promotes enterprise and is based on making full use of local resources, skills and a desire to investigate new commercial ideas.

University of the Highlands and Islands

The proposed project will contribute to meeting the university's strategic vision of being recognised for the quality of [its] students' experience and having a reputation built upon [an] innovative approach to learning; and to its strategic themes of: acting as a force for economic, social and cultural change across the region by connecting and collaborating with businesses, public and third sector partners and communities, and continuing to meet the needs of learners within the region.

The proposed project also aligns with the university's recently launched **Islands Strategy**, especially its key themes of skills, workforce development and talent attraction; producing a short course pan-islands prospectus offering provision in culture, heritage, archaeology and creative industries; profiling postgraduate online provision in culture, heritage, archaeology, marine sciences and creative industries; increasing pan-islands academic activity associated with University of the Highlands and Islands institutes, centres and departments; and attracting activity and people to the islands and to be based in the islands.

A particular benefit of the proposed project is that it will substantially increase the capacity and opportunity to share resources, expertise, knowledge and opportunities across the university's three island groups as well as the wider university network. The increased capacity to deliver flexible training and to support learners online and at a distance will enable the colleges to make more learning opportunities available to more people across the island groups and the wider university area. Essentially it will enable each island college to offer learning opportunities to persons across all the island groups. As well as expanding potential markets this will allow for the specialisation of individual colleges and a reduction in duplication and overlap of provision.

Local Employers

The proposed project will help address deficiencies in local training provision identified through recent surveys of local employers (Employment Survey 2017, Skills Survey 2018), including lack of availability of suitable training and issues around the delivery of training.

3.3 Other organisational strategies

The proposed project has strong strategic fits with:

Highlands and Islands Enterprise's strategic vision of developing a vibrant rural economy based on successful, productive and resilient businesses; strong, capable and resourceful communities; and a region which is well connected and well placed to maximise opportunities – creating the conditions for growth, with academic, education and skills infrastructure and skills development identified as key priorities for creating conditions for growth; strong, capable and resourceful communities; and successful, productive and resilient businesses.

Colleges Scotland's ambition that colleges have a critical role in supporting individuals and businesses in Scotland, enhancing citizenship, and providing leadership in the communities and regional economies in which we are situated, and that the college sector will be pivotal in: Developing our people and partnerships; supporting a successful economy; and helping communities thrive.

Skills Development Scotland's priorities of providing individuals with accessible education and skills provision to secure, sustain and progress in their careers in rural areas; and developing the current workforce in rural areas through upskilling and reskilling.

Developing the Young Workforce's strategic aims that young people are able to access more vocational options during the senior phase of secondary school, which deliver routes into good jobs and careers, developed through effective partnership between schools, colleges, local authorities and other partners; of improving opportunities and experiences for all learners; and of provision aligned with economic needs and regional planning, with a focus on STEM where appropriate.

The **Scottish Government's STEM Education and Training Strategy for Scotland'** priorities of: building the capacity of the education and training system to deliver excellent STEM learning so that employers have access to the workforce they need; closing equity gaps in participation and attainment in STEM so that everyone has the opportunity to fulfil their potential and contribute to Scotland's economic prosperity; inspiring children, young people and adults to study STEM and to continue their studies to obtain more specialist skills; and connecting the STEM education and training offer with labour market need – both now and in the future – to support improved productivity and inclusive economic growth..

The **Scottish Government's National Outcomes'** ambition that: We are well educated, skilled and able to contribute to society: We learn throughout our lives and find knowledge in varied and sometimes surprising places. Through learning we grow as individuals and as a nation, and as such, we must recognise and support excellence in teaching, research and innovation for all learners in all educational contexts.

The **Scottish Government's National Strategic Infrastructure and Investment Plan** (priorities: further and higher education; energy and energy efficiency; rural affairs, food and the environment).

The **Scottish Government's National Islands Plan** (objectives: to address population decline and ensure a healthy, balanced population profile; to improve and promote sustainable economic development; to contribute to climate change mitigation and adaptation and promote clean, affordable and secure energy; to empower diverse communities and different places; to promote and improve education for all throughout life).

Other Islands Deal Projects

The proposed project complements and will contribute to the delivery of the other projects being considered as part of the Islands Deal package, primarily through the enhanced opportunities and capacity it will offer for training and workforce development. This will help ensure access to the trained and skilled workers, which will be necessary to ensure the success of these projects and their benefits to the wider Shetland community.

The facilities developed under this project will also offer wider potential benefits to these projects through the opportunities they will afford for wider engagement both with the local community and with business and projects in other areas of the world.

Fits between this proposed project and other Islands Deal projects		Other Projects					
		Space Innovation Campus	Shell-volution	Islands Centre for Net Zero	Dales Voe Ultra-Deep-Water Decommissioning	Knab Redevelopment Programme	TalEntEd Islands
This Project Elements	Training and skills development	✓	✓	✓	✓	✓	✓
	Research opportunities	✓	✓	✓		✓	
	Aquaculture learning facility		✓				
	Student accommodation					✓	
	Arts Centre / Innovation Hub					✓	

Space Innovation Campus

The development of space launch facilities in Shetland will create new opportunities for local people and a demand for workers with both new and traditional skills, knowledge and expertise. This activity will require an appropriately skilled and trained workforce with skills, knowledge and expertise across a wide range of subject areas relating to all aspects of space launch operations, from the assembly, testing and launch of space vehicles to the recovery of spent rocket from the sea.

This proposed Shetland Campus Redevelopment project will equip the Shetland college(s) to build on existing training provision to help provide the skilled and trained workforce that a space launch facility will require. This will encompass providing a learner journey for young people into the engineering and associated sectors through STEM-subject promotion in schools, apprenticeships, and other further and higher education training opportunities. It will also encompass the retraining and upskilling of workers, including those affected by declines in other sectors of the economy. Finally, it will include meeting the ongoing workforce training needs of the industry as it expands and develops.

Shell-volution

The Shell-volution project aims to help develop a scientific foundation to create the conditions for growth in Scotland's mussel farming industry through research and development in three key areas: the supply of spat; the relationship between mussel farming and the environment; and developing industry best practice.

This project is closely linked with the research and training expertise and activity presently found in the NAFC Marine Centre. We anticipate a growth in course provision in the area of applied aquaculture and continuing research of relevance to the industry.

This proposed Shetland Campus Redevelopment project will increase the Shetland college(s) ability to provide a range of aquaculture learning opportunities, including workplace-based and remote learning in partnership with aquaculture businesses and building on the experience already developed. The proposed learning facility specifically linked to NAFC's existing onshore aquaculture facilities will make an important contribution to the college(s) capacity to support this learning, while the proposed Newton Room and focus on STEM subject development in schools will help contribute to the development of a trained workforce for the aquaculture industry.

With its experience and facilities, NAFC will also be well placed to contribute to the research elements of the Shell-volution project.

Islands' Centre for Net Zero

Training and skills development to meet the anticipated needs of employers in a net zero carbon world is a key area for Shetland's new merged college. *'Ensuring that the right skills, education and workforce development opportunities, science and infrastructure are in place to fuel economic growth while achieving the transition to net zero'* has been identified as key contributor to delivering a zero-carbon economy in the islands.

To help address this gap in current provision, the Islands' Centre for Net Zero is intended to be *'a hub for experiential learning, tertiary education, skills training and problem-based learning'*.

This proposed Shetland Campus Redevelopment project will equip Shetland's college(s) to help deliver the training, skills and workforce development required to help achieve the objectives of the Islands' Centre for Net Zero. It is intended that the proposed redevelopment of the college(s) workshops will be informed by the Islands' Centre for Net Zero project and other work ongoing with employers.

The Shetland college(s) will also be well placed to contribute to the new research and development opportunities that the Islands' Centre for Net Zero will offer.

Dales Voe Ultra Deep-Water Decommissioning

The proposed Dales Voe Ultra Deep-Water Decommissioning facility is intended to increase the amount of decommissioning activity carried out in Shetland: the dismantling and recycling of redundant offshore oil field equipment. This activity will require an appropriately skilled and trained workforce, with a particular need for technical and engineering skills and qualifications.

This proposed Shetland Campus Redevelopment project will equip the Shetland college(s) to build on existing training provision to help provide the skilled and trained workforce that the decommissioning industry will require. This will encompass providing a learner journey for young people into the engineering and associated sectors through STEM-subject promotion in schools, apprenticeships, and other further and higher education training opportunities. It will also encompass the retraining and upskilling of workers, including those affected by declines in other sectors of the economy. Finally, it will include meeting the ongoing workforce training needs of the decommissioning industry as it expands and develops.

Knab Redevelopment Programme

The redevelopment of the former school site at the Knab includes a proposed mixed-use creative innovation facility providing specialist workspaces, shared common spaces (including for training) and equipment. This provision is seen as key to ensuring that the creative industries can continue to grow and develop in Shetland and to attracting new talent to the islands.

This facility will complement the creative arts provision at Shetland College and offer considerable potential for partnership and collaborative working for the benefit of students and college staff, potentially including shared use of facilities and shared inspiration and practice.

There will also be the potential for strong collaborative links and partnership with the research and other activities of the Centre for Islands Creativity (based at Shetland College).

Reducing carbon emissions (and thus contributing to the aim of a zero-carbon economy) is also a key aim of the Knab Redevelopment Programme, offering further opportunities for collaboration with this proposed project (and the Islands' Centre for net Zero), both in relation to training and skills development and research.

Finally, the Knab Redevelopment Programme offers an opportunity to create dedicated student accommodation in Shetland (potentially through the re-use of one of the existing buildings to be retained). The current lack of student accommodation in the islands has been identified in the Ministerial Merger Business Case and elsewhere as a significant barrier to accessing training and further and higher education for many people within Shetland (who are unable to travel to college daily) and to the aspiration of attracting more students from outside the islands. The provision of student accommodation is seen as

crucial to the future development and viability of Shetland's college(s). By reducing the need for daily journeys, student accommodation would also contribute to a reduction in carbon emissions in Shetland.

TalEntEd Islands

The TalEntEd Islands Partnership and Programme aims to fast track the decarbonisation of the Islands' economies (Orkney, Shetland and the Western Isles) by creating opportunities for education, skills, leadership, innovation, entre/intrapreneurship and commercialisation supporting the increase in sustainable 'green' jobs. Specific objectives of the planned programme include:

- ◆ Educating young islands innovators and entrepreneurs of the future through the Science Skills Academy Newton Rooms.
- ◆ Delivering an Innovative Islands Work Based Learning Model to support the needs of key sectors in the just transition to net zero.
- ◆ Increasing the number of entrepreneurs through the delivery of an innovation, leadership and entrepreneurship programme.

The development of learning facilities (including a Newton Room and workshop facilities) and the capacity to support learners in a wide variety of settings within Shetland Campus Redevelopment project will strongly support the TalEntEd Islands project's objectives, given its focus on training and skills and workforce development. This project will enhance Shetland's college(s) capacity to deliver relevant training and learning opportunities, not only in Shetland but, through distance and online learning technologies, also to learners in the other island groups within the partnership (Orkney and the Western Isles).

Part B: The case for change

3.4 Investment objectives

The investment objectives for this project are:

- ◆ **Investment Objective 1:** To increase access to learning opportunities in Shetland and improve learners' experiences by 2030.
- ◆ **Investment Objective 2:** To develop a highly skilled workforce to support economic development in key growth sectors of Shetland's economy by 2030.
- ◆ **Investment Objective 3:** To provide high quality educational, business and community facilities to attract and retain young people in Shetland by 2030.

These objectives will be delivered through this project by:

- ◆ Enhancing students' learning experiences in Shetland by improving access to learning opportunities and improving facilities for students.
- ◆ Reducing barriers to learning for people in Shetland caused, for example, by geography or personal circumstances by providing more local (community-based), online and flexible learning opportunities.
- ◆ Increasing the colleges' resilience and their ability to deliver learning opportunities in new and innovative ways.
- ◆ Expanding life-long learning opportunities for people in Shetland.
- ◆ Meeting the needs of both existing and new businesses in Shetland by training the workforce to meet the needs of both employers and employees; promoting and facilitating the use of college facilities by businesses to meet their own needs; and building collaborative partnerships with industries.
- ◆ Meeting the needs of communities by providing learning opportunities in those communities through permanent learning centres and temporary 'pop-up' facilities; and promoting and facilitating the use of college facilities by communities to meet their own needs.
- ◆ Strengthening links with Shetland's schools through school-college educational opportunities, which provide a range of 'learner journeys' from school to college or university and / or to the world of work. In particular, by promoting and facilitating education and training in STEM subjects (Science, Technology, Engineering and Mathematics).
- ◆ Exploring new educational and training needs and developing new opportunities in Shetland both to meet the future needs of the islands' population and businesses (both existing and new) and attract more learners from outside the islands (both physically and virtually, via distance learning).

3.5 Existing arrangements

At present, post-school learning opportunities in Shetland, including vocational training, apprenticeships and further and higher education are provided by three organisations: the NAFC Marine Centre (an independent organisation managed by a charitable trust), and Shetland College and Train Shetland (both part of the Shetland Islands Council). Agreement has been reached to merge these three organisations to create a single new independent college in Shetland (see Appendix 1) and work on this merger is currently under way.

The three organisations offer a wide range of training opportunities in Shetland ranging from short vocational training courses and apprenticeships to degree and post-graduate level courses. Many of these courses are delivered to meet the training needs of local employers, especially in sectors such as fishing, aquaculture, engineering and construction, and close contacts exist between the training providers and local businesses.

The total student body numbers almost 3,000 and the colleges are estimated to contribute some £34 million (GVA) to the local economy and support some 250 jobs throughout the islands (UHI Economic Analysis).

Most current learning opportunities are ‘traditional’ in nature, involving face-to-face delivery of learning material in a traditional classroom setting to a fixed timetable and with limited use of online resources. This limits accessibility to learning opportunities by persons who are able to attend college on fixed days and times, which can be problematic for those in employment, who live in remoter areas, or who have other constraints (such as childcare). It can also be problematic for businesses who may have difficulty releasing multiple staff to attend college on fixed days. Finally, it limits the colleges’ potential market largely to those living in Shetland who are not subject to any of these constraints.

Despite some piecemeal updates, most college learning facilities are at least 20 years old and are not well equipped or suited for the delivery of modern learning opportunities. Student facilities are particularly poor (something that is frequently brought up in student feedback) with very limited space for self-study and inadequate space for students to relax and socialise.

Both NAFC and Shetland College have already developed a number of online courses in subjects that include Aquaculture and Art and Social Practice. Shetland College also contributes to the wider UHI networked delivery of courses in Computing, Health and Social Care, Archaeology and Island Studies. These have demonstrated the potential of these modes of delivery to overcome barriers to accessing learning opportunities and to reach wider (potentially global) markets as well as providing a basis of experience and knowledge that can be built on to expand the range of courses available in this way.

3.6 Business Needs – Current and Future

The proposed project will improve access to learning opportunities in Shetland and enhance learners' experiences by improving college and community-based learning facilities and college capacity. This will include upgrading existing facilities to include improved student spaces, learning spaces, workshop spaces and community and business spaces. An increase in local (community-based), online and flexible learning opportunities will reduce barriers to learning.

Shetland College and the NAFC Marine Centre require the developments proposed in this project to enable them to meet the needs of learners, employers, businesses and communities in the 21st century and to ensure their own long-term sustainability. Current modes of delivering learning opportunities are inflexible and do not meet these needs so far as they might and limits the colleges' potential markets.

Proposal

The objectives will be primarily achieved by developing modern learning facilities to support the development and delivery of, and access to, learning opportunities for the people of Shetland. The proposed project is intended to deliver the core of a redevelopment programme and additional support will be sought from other sources to complement these. Opportunities for additional support are being explored and where these are identified, these will be expanded on in the full business case.

Facilities

The focus of the proposed project is to improve learning opportunities and experiences in Shetland through the creation of modern, fit-for-purpose student spaces, learning spaces, workshop spaces and community spaces. These will encompass spaces in both the existing college campuses and rural learning centres, complemented by a range of new mobile and temporary 'pop-up' facilities, which will be used to extend the provision of learning opportunities, including into schools and into communities not served by permanent learning centres.

A priority across all the planned improvements and developments will be to ensure efficient use of space, ensure economic use of heating and lighting and improve insulation, and to implement Resource Efficient Scotland recommendations to help meet our zero carbon ambitions.

Student Spaces

Students' learning experiences will be improved through the development of 'student hubs' in each of the college campuses to improve the facilities available to students. These will include improved and expanded study spaces where students can study by themselves or in small groups; and dedicated student leisure spaces where they can relax and socialise outside of classes.

Learning Spaces

A network of modern, smart and flexible learning spaces will be developed to support a wide range of learning opportunities ranging from face-to-face teaching to self-study and access to remote and online resources.

Flexible Learning Spaces

Existing classrooms will be upgraded to provide flexible, 'general-purpose' learning areas that can support a variety of learning opportunities including face-to-face, remote and other modes of learning. These will include facilities for interactive links between the learning spaces and other locations, including college workshops, aquaculture research facilities and boats.

Newton Room

A 'Newton Room' will provide high quality learning experiences for school pupils in STEM subjects. This will provide for a particular focus on those industries that are important to Shetland's economy (fishing, aquaculture, engineering, construction) or which have the potential for significant future growth (renewables, net-zero carbon, space rocketry) and on Shetland's natural environment.

Equipment will include (small-scale) marine aquarium facilities to provide pupils with opportunities to explore and experience Shetland's marine environment at first hand.

Immersive Classrooms

Immersive classrooms use multiple projectors and surround sound, driven by computer systems, to create a 360° immersive learning environment within which learners are immersed in an artificially generated environment (which could range from a factory floor, to the deck of a fishing boat, to below the surface of the sea, or to the surface of the moon). This would complement the more specialist Full-Mission Ship Bridge Simulators operated by the NAFC Marine Centre.

Aquaculture Learning Facility

An aquaculture learning facility will be developed within the NAFC Marine Centre's existing onshore aquaculture research facilities to provide learners with opportunities to gain first-hand experience of the aquaculture research environment while avoiding any conflicts between learning opportunities and research activities and allowing for the maintenance of biosecurity measures. This facility would also be equipped for interactive links with other learning spaces, both in the colleges and in the wider community.

Workshop Spaces

Existing engineering and construction workshops will be upgraded to meet the future training needs of existing and new industries over coming decades, especially in the context of achieving a net-zero carbon economy.

This will include the provision of facilities to train engineers on alternative energy technologies, including energy storage technology and hydrogen generation, storage and power technologies and facilities for construction students to receive training in the latest techniques for providing energy efficient built environments.

These improvements will also enhance the colleges' capacity to support training in STEM subjects for school pupils.

Community Spaces

A network of community learning spaces will be developed to improve access to learning opportunities and other facilities beyond the traditional college campus.

Learning Centres

The existing network of learning centres will be upgraded to provide modern facilities both for the delivery of training and for access to learning opportunities (for example online or by VC).

Mobile Facilities

A range of mobile and pop-up equipment and facilities that can be transported to and used in any suitable venue, including schools, community halls, and business premises, will be developed to enhance the provision of learning opportunities in Shetland's communities.

These will include small-scale and highly portable equipment that can be transported by car, for example, as well as larger equipment. The latter will include a mobile 'Newton Room' facility designed to allow access to many of the same learning experiences as the campus-based Newton room in remote communities and schools. This will include portable marine aquaria.

Business Networking Facilities

Use of the new college online and digital facilities by local businesses for networking, workshops, customer outreach, and business development, as well as training, will be supported and facilitated. The colleges will build on this to strengthen relations with local businesses with a view to developing collaborative partnerships, potentially including business funding or sponsorship of additional facilities, resources or activities. Through these stronger links, the colleges will seek to meet the training needs of local employers better, both in relation to the range of courses offered and in relation to modes of delivery, to address some of the obstacles to staff training identified in recent employer surveys.

Approach

The Shetland colleges will use the new and enhanced facilities outlined above to develop and deliver a flexible curriculum of learning opportunities for the people of Shetland that meets the needs of local people, employers and businesses. For local people this will mean easier access to a wider and more flexible range of learning opportunities including in disciplines relevant to potential new employment opportunities in Shetland. For employers and businesses (both existing and new) it will mean easier access to training and development opportunities for staff and to a skilled workforce with relevant knowledge and competences.

There will be an emphasis on widening access to learning opportunities by increasing the flexibility of provision and on reducing obstacles to access. This will be achieved by moving the emphasis away from traditional, fixed-timetable, classroom-based training delivery towards providing greater remote and online, and community and business-based, access to learning opportunities. The overall objective is to make more learning opportunities available to more people at times and in places that meet the needs of learners and/or businesses (rather than the colleges).

There will also be an emphasis on meeting the current and future training needs of local businesses and employers. This will include identifying future training needs and opportunities and developing new courses to meet those needs.

Essentially, in addition to the benefits to learners and businesses and the wider community, the proposed project offers an opportunity to expand the business of the colleges and thus contributing fundamentally to their long-term sustainability (and that of the planned merged college).

3.7 Potential business scope and key service requirements

The potential scope of the project ranges from doing nothing (continuing to operate using existing facilities and capabilities), through and significant upgrade and enhancement of existing facilities and capabilities, to the construction of a completely new single-campus college for Shetland to replace the existing colleges:

	Minimum	Intermediate	Maximum
Potential Business Scope	Do Nothing	Upgrade and enhance existing facilities.	Build new college campus.
Key Service Requirements	No change from current situation	To increase student numbers, including community and online enrolments, and business uptake of training.	To increase student numbers, including community and online enrolments, and business uptake of training. To create a single unified centre for the new merged college.

The principal services requirements identified are to enhance students' learning experiences in Shetland; to expand learning opportunities and reduce barriers to learning; to meet the needs of existing and new businesses; to meet the needs of communities; to strengthen links with schools; and to attract more student enrolments from outside Shetland.

3.8 Main benefits

The proposed project offers a variety of benefits at a range of levels:

Beneficiary	Benefits	Success Criteria
Learners	<p>Enhanced learning opportunities.</p> <p>Easier access (reduced barriers) to learning opportunities.</p> <p>Improved student facilities and learner experiences.</p>	<p>Increased numbers of students enrolled on courses.</p> <p>Increased numbers of students accessing learning through 'non-traditional' modes.</p> <p>Improved results in learner feedback surveys.</p>
Communities	<p>Expanded life-long learning opportunities for local people.</p> <p>More learning opportunities in communities: both physical (through learning centres, schools and other outreach activities) and virtually (through greater use of online learning).</p> <p>Stronger links between communities, schools and colleges.</p> <p>Enhanced facilities available for school and community use.</p>	<p>Increased numbers of mature students enrolled on courses.</p> <p>Increased numbers of learners using rural learning centres and studying online.</p> <p>Increased number of school pupils enrolled on courses.</p> <p>Increased use of facilities by schools (Newton Room) and community groups.</p>
Businesses	<p>Workforce training for new and existing businesses.</p> <p>Easier access to training for employees.</p> <p>Stronger links between businesses and colleges.</p> <p>Enhanced facilities available for business use.</p>	<p>Increased numbers of employees enrolled on courses.</p> <p>Increased number of businesses enrolling staff on courses.</p> <p>Increased use of facilities by businesses.</p>

Beneficiary	Benefits	Success Criteria
College(s)	<p>More efficient use of college facilities.</p> <p>Increased number of courses run and students enrolled.</p> <p>Expansion of potential market.</p> <p>Greater income.</p> <p>Reduced carbon footprint.</p>	<p>Increased numbers of courses delivered.</p> <p>Reduced amount of vacant / unused space.</p> <p>Greater income.</p> <p>Reduced running costs / overheads.</p> <p>Reduced carbon footprint.</p>
Strategic	<p>Contribution to a wide range of local, regional and national strategies (sections 3.2 and 3.3)</p>	<p><i>Success criteria include (but not limited to):</i></p> <p><u>Partnership Plan</u></p> <p>Increased % of school leavers in positive destinations.</p> <p>Decreased % of businesses struggling to fill vacancies.</p> <p>Reduced number of disadvantaged individuals and households in Shetland.</p> <p>Increased number of people accessing education in new and innovative ways.</p> <p>Increased number of student enrolments, including from outside Shetland.</p> <p><u>Scottish STEM Strategy</u></p> <p>Increased number of school pupils experiencing STEM training and continuing to study STEM subjects.</p>

3.9 Main risks

The principal risks associated with the proposed project are considered to be:

Risk Category	Risks	Mitigation Measures
Service Risks	<p>Construction risks: availability of equipment and supplies; delays and overspends.</p> <p>Technical risks: installation and commissioning of equipment.</p>	<p>Effective project management and oversight by college(s) estate management committee and UHI Project Steering Group.</p>
Organisational	<p>Management risks: failure to successfully manage the project; failure to realise the potential benefits of the project.</p> <p>Staffing risks: failure to retain or recruit sufficient suitable staff to deliver the full benefits of the facilities.</p> <p>Failure to engage successfully with businesses, communities and/or other stakeholders.</p>	<p>Effective management of college(s).</p> <p>Oversight by Board(s) of Management and UHI (as Regional Body).</p>
External	<p>Changes to Government or Funding Council policies or priorities; reductions in funding streams.</p> <p>Impact of Covid-19 pandemic and associated public health measures (lockdowns).</p>	<p>Support by Islands Deal Programme Management Board.</p> <p>Effective management of college(s).</p>

3.10 Constraints

The principal potential constraints on the proposed project are considered to be:

- ◆ Availability of sufficient resources to fully implement the required measures.
- ◆ Ability of the colleges to effectively manage and utilise the new facilities.
- ◆ Availability of resilient, high-speed broadband access by all those who might wish to make use of the online learning and other opportunities to be offered by the colleges.
- ◆ Ability of the colleges to retain and/or recruit suitably experienced and qualified staff to take full advantage of the opportunities offered by the new facilities.
- ◆ Willingness of local businesses, communities and schools to engage with the colleges.

3.11 Dependencies

The project is subject to the following dependences that will be carefully monitored and managed throughout the project:

- ◆ Political support (local and national).
- ◆ Maintenance of current FE and HE funding streams.
- ◆ Community and business engagement.
- ◆ External authorisations to proceed (planning consent, building regulations approval, etc.).
- ◆ Availability of resilient, high-speed broadband access by all those who might wish to make use of the online learning and other opportunities to be offered by the colleges.

4. Economic Case

In accordance with the Capital Investment Manual and requirements of HM Treasury's Green Book (A Guide to Investment Appraisal in the Public Sector), this section of the SOC documents the long list of options that have been considered in response to the business needs and project scope identified within the Strategic Case.

4.1 Critical success factors

Discussions with a range of stakeholders identified a range of potential critical success factors for the proposed project. These have been amalgamated and blended to create a short-list of critical success factors to evaluate the potential project options:

CSF1	Strategic Fit	How well the options fit with key elements of relevant local, regional and national strategies and plans.
CSF2	Affordability	Whether the costs of the options match the likely level of available funding.
CSF3	Value for Money	How well the options maximise the return on the required spend in terms of economy, efficiency and effectiveness from the perspectives of the colleges, the community, businesses and other stakeholders.
CSF4	Achievability	How likely the options are to be delivered in view of their complexity and the capacity of the organisation.
CSF5	Organisational Benefits	The potential benefits that the options offer to the colleges.
CSF6	Learner Benefits	The potential benefits that the options offer to current and potential future learners.
CSF7	Societal Benefits	The potential benefits that the options offer to communities, businesses, and other stakeholders.

4.2 Assessment of Options

A range of potential options were considered to upgrade Shetland's colleges' facilities to enhance their capacity to provide greater training and learning opportunities to people throughout the islands:

- ◆ Option 1: Do nothing (continue with existing college facilities and capabilities).
- ◆ Option 2: Student Spaces (development of 'student hubs' in each college campus).
- ◆ Option 3: Learning Spaces (flexible learning spaces, Newton room, immersive classrooms, etc.)
- ◆ Option 4: Workshop Spaces (upgraded workshops, new equipment, etc.).
- ◆ Option 5: Community Spaces (learning centres, mobile facilities, etc.).
- ◆ Option 6: Redevelopment of existing campuses and community facilities (combination of options 2 to 5).
- ◆ Option 7: Construction of two new campuses on the existing NAFC and Shetland College sites.
- ◆ Option 8: Construction of an entirely new single campus college in Shetland to bring together all the activities currently carried out at Train Shetland, Shetland College and the NAFC Marine Centre.

These options were evaluated against the Critical Success Factors identified above and against the specific objectives of the proposed project (see page 3) with the results summarised in the following table.

	OPTION							
	1	2	3	4	5	6	7	8
Critical Success Factors	Do Nothing	Student Spaces	Learning Spaces	Workshop Spaces	Community Spaces	Combination of 2-5	Rebuild Campuses	Build New Campus
CSF1 Strategic Fit	x	✓	✓	✓	✓	✓	✓	✓
CSF2 Affordability		✓	✓	✓	✓	✓	x	x
CSF3 Value for Money		✓	✓	✓	✓	✓		
CSF4 Achievability		✓	✓	✓	✓	✓		
CSF5 Organisational Benefits	x	✓	✓	✓	✓	✓	✓	✓
CSF6 Learner Benefits	x	✓	✓	✓	✓	✓	✓	✓
CSF7 Societal Benefits	x	✓	✓	✓	✓	✓	✓	✓
Objectives								
Enhance student's experiences	x	✓	✓	✓	✓	✓	✓	✓
Reduce barriers to learning	x		✓		✓	✓	✓	✓
Increase college's resilience	x		✓		✓	✓	✓	✓
Expand learning opportunities	x		✓	✓	✓	✓	✓	✓
Meet the needs of businesses	x		✓	✓		✓	✓	✓
Meet the needs of communities	x				✓	✓	✓	✓
Strengthen links with schools	x		✓		✓	✓	✓	✓
Meet new training needs	x		✓	✓		✓	✓	✓

4.3 Shortlisted Options

The evaluation of possible options (above) rejected the 'do nothing' option as it would have delivered none of the desired objectives.

Option 7 (rebuilding the existing campuses) and option 8 (building a single new college campus) would have delivered all of the desired benefits of the proposed project but were rejected because their costs would have greatly exceeded the budget available for this project.

Options 2 through 5 were all judged to be affordable and would all deliver some of the desired objectives of the proposed project. However, none of these options would deliver all of the desired objectives.

Only option 6 (a combination of options 2 to 5) was judged to deliver all of the desired objectives within the available budget.

4.4 Preferred Way Forward

Given the above, the preferred way forward is to redevelop the existing college campuses in Shetland (NAFC Marine Centre and Shetland College) to enhance learning opportunities and student experiences in Shetland and to reduce barriers to learning. This option provides the best fit with the Critical Success Factors, delivers the desired objectives, matches strongly with the strategic case, and is affordable.

5. Commercial Case

The purpose of the Commercial Case is to describe the proposed deal in relation to the preferred option outlined in the Economic Case.

The new merged Shetland college has plans to expand the college offering to meet the needs of the islands. In particular, it will seek to address the requirements arising from other Islands Deal projects and the changing needs of the world of work in the context of Brexit, net zero carbon and the aftermath of the COVID-19 pandemic. Further detailed work is underway to assess the skills requirements of employers, for example, and as clarity is gained on the projects going forward within the Islands Deal, this will be incorporated into the preparation of the case.

6. Financial Case

The purpose of this section is to set out the forecast financial implications of the preferred option (as set out in the Economic Case) and the proposed deal (as described in the Commercial Case).

The detailed analysis of the resources required to deliver the project will be undertaken for the development of the outline business case. Outline costs at this point have been developed with input from costs of other Highlands Newton rooms, recent welding workshop development at NAFC and asset management officer's information from Shetland Islands Council. An allowance in the costs has been made for higher costs of delivery of construction projects experienced in Shetland. (The Shetland Islands Council uses a 'Shetland Factor' in estimating building costs to cover factors such as the additional transportation costs to the islands of materials, necessary labour and specialised contractors plus costs associated with delays due to weather or late deliveries. Typically, these are expected to add at least 25% to islands-based capital projects.)

It is planned that all of these costs will be capital with revenue costs coming from the activities undertaken by the College to utilise the spaces. As the college will need to carry out its normal business during this campus redevelopment, it is anticipated the work will be spread over two years, with early work being delivered in spaces that are currently not utilised or underutilised.

	Description	Year 1	Year 2	Total
	Student spaces		250,000	250,000
	Learning spaces - classrooms	300,000	300,000	600,000
	Learning spaces – Newton Room	203,000		203,000
	Learning spaces – Immersive classroom	120,000		120,000
	Learning spaces - Aquaculture	160,000		160,000
	Working spaces - construction	100,000		100,000
	Working spaces - engineering		300,000	300,000
	Community spaces – in college		120,000	120,000
	Community spaces - mobile	60,000		60,000
	Community spaces – learning centres		100,000	100,000
Total		933,000	1,070,000	2,003,000

Further detailed work with architects will be required to map out the financial costs fully for the outline business case. It will be informed with curriculum review activities ongoing within the colleges and more widely in UHI.

7. Management Case

This section addresses the ‘achievability’ of the project; it sets out in more detail the actions that will be required to ensure the successful delivery of the project in accordance with best practice.

7.1 Programme management arrangements

The project is an integral part of the Islands Deal for Shetland, which covers a portfolio of projects for the delivery of economic prosperity for the Shetland Islands.

In outline, the programme governance arrangements are given below:

Overall, there is a three Island Programme Board with overall responsibility for the Islands Deal programme.

Locally, a Shetland Programme Board has responsibility for the management, direction and supervision of the Shetland aspects of the overall programme.

The Shetland Programme Management Office includes directing and supporting the delivery of the local requirements of the deal and supporting the Shetland Project Team.

Each Shetland project is led by a lead officer who has been selected for their knowledge and specialist expertise in developing their particular project within the Deal. Project leads meet regularly as the Shetland Project Team.

7.2 Project management arrangements

The project will be overseen by a pan-island steering group convened by the University of the Highlands and Islands, chaired by the UHI Senior Management lead for the Islands and including the principals and project leads of the academic partners delivering in the Islands. This group will have oversight of all the Islands Deal projects for which UHI has a project lead and will ensure the synergistic interaction of the various projects in which UHI is playing a role.

Steering Group

Position	
Chair	UHI Senior Management lead for the islands
UHI leads	VP FE, HE
Finance	Senior financial manager, UHI
Islands Deal Link Officers	Officers from Islands Councils
AP Shetland	Principal Shetland; Management lead Campus redevelopment Shetland
AP Western Isles	Principal Western Isles; Management lead Campus redevelopment Western Isles
AP Orkney	Principal Orkney; Management lead Vertical farming

Project reviewer	Area Team Leader HIE
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Project management will be undertaken by an Estates project sub-committee of the New Shetland College Board focussed on delivery of campus redevelopment. PRINCE 2 methodology will be used to monitor the project and ensure delivery is timely and to specification.

7.3 Further management arrangements

The management of the project will be considered further in the outline business case and will include consideration of benefits realisation, risk management and post project evaluation.

Appendix 1

Shetland UHI: A new College for Shetland

Proposal Consultation Summary (June 2020).



Shetland College, Train Shetland and NAFC Marine Centre will merge to create an inspirational hub of innovation and learning designed to meet the needs of the people of Shetland, nationally and internationally

Background

The proposed merger will build on the considerable strengths of NAFC Marine Centre, Shetland College and Train Shetland to create a vibrant new College within the family of the University of the Highlands and Islands.

We will be at the heart of economic development for the islands and work closely with industries as diverse as textiles and aquaculture, in various ways from skills development to research.

Over recent years, the three institutions have been working to bring all their provision together in order to make efficiencies in operations but also develop opportunities for all learners and better meet the needs of Shetland.

Shetland Islands Council and NAFC Marine Centre recently approved the Merger Business Case, which outlines the business case which will be considered by Scottish Ministers before the new merged college is launched.

We are delighted to be entering the final stages of this project which will end an extended period of uncertainty and will see us work towards the launch of Shetland UHI. We hope you enjoy learning more about what we propose and encourage you to engage with us now and in our future to help us make sure we deliver what Shetland needs.

To find out more about the proposals or to respond to our formal consultation please visit: www.a-new-college-for-shetland.uhi.ac.uk/consultation

If you would like to contact us then email shetlandmerger@uhi.ac.uk or to provide feedback online visit: www.a-new-college-for-shetland.uhi.ac.uk/feedback

The case for change

The existing services play a vital role in delivering improvements to the economy through skills development, training, research and by providing varied and high quality options to school leavers and others who wish to learn.

Current services are, however, expensive to maintain and are operated separately. This is not sustainable longer term and it was important to build critical mass and find a way to have in place a single management and governance structure.

Over recent years there has been extensive work undertaken to make sure the merger goes forward in the best way for Shetland. We have a business case that outlines how we can make sure the new college will be sustainable and deliver the services that will meet the needs of the community and local economy.

There has been a considerable amount of work done on our business case. The goals for our merger are:

- Achieve the best possible student experience
- Make tertiary education in Shetland sustainable
- Change and innovate, and build capacity amongst staff
- Build on our relationships and be responsive.

We will be an important part of Shetland community planning, not least in supporting targets for local economic policy but also in growing the student population and increasing apprentice opportunities. This can only happen if we develop our curriculum to the highest quality and ensure it is demand-led and inclusive.

The future vision

All of our work to date has helped inform our vision for Shetland UHI. We want the new merged college to be an inspirational hub of innovation and learning designed to meet the needs of the people of Shetland, nationally and internationally.

This will be achieved by:

- **Working together**
Fostering activity and interaction across the organisation and between staff and students
- **Working for Shetland**
Addressing skills needs, supporting innovation and applied research for the Shetland economy as the university for Shetland, within the University for the Highlands and Islands (UHI)
- **Working sustainably**
Embedding sustainability in the curriculum and in our practice
- **Working to become resilient**
Encouraging staff and student development and aspiration, exploring and achieving new income streams
- **Working with partners**
Furthering relationships, strengthening our position within UHI and developing partnerships including with other institutions, particularly in the research field.

Learning and Teaching

Shetland UHI will provide the help, facilities and services all students need to participate in the life of the Institute and to make the most of their learning experience, regardless of their background, reason for learning, when or how they learn. As many learning opportunities as possible will be created for students to explore, enjoy and experience. Students will be able to choose a vocational or an academic route, with equal opportunity for meaningful progression.

Existing expertise in developing short courses and in apprenticeships will strengthen work-based learning throughout the Institute whilst our reputation and track record in scientific and creative/cultural research will allow us to continue to build on our research and curriculum offer.

We have strong community links through our outreach Learning Centres in remote and rural locations and these will be maintained. We will also be looking to widen participation to include residents in Shetland's remotest locations.

The curriculum activity areas will be:

- **Creative and Cultural**
Continuing the exciting work in creative textiles and fine art as well as the courses offered in partnership with Shetland Arts
- **Seafood and Sea**
Continuing focused research and learning developed by NAFC Marine Centre
- **Community and Enterprise**
Building core skills, employability and entrepreneurial capacity in our learners and consequently Shetland community
- **Healthcare and Society**
Working to support the provision of a sustainable health and care workforce for Shetland
- **Technology, Engineering and the Marine and Built Environment**
Drawing together Information and Communication Technology and Computing, Construction and Marine and Engineering sections.

Curriculum development

For students, we will make sure we provide:

- A curriculum and student experience that attracts Shetland school leavers and students from the UK, EU and internationally
- Strong school-community-college links which maximise learning opportunities and access to facilities and resources for all learning phases
- Inclusive provision that enables learners with diverse needs to learn and progress, with high quality support for students
- Accessible provision for people of all ages, at all stages in their lifelong learning journey, from all areas of Shetland
- Learner progression and learner journeys enabling cross-curricular learning and diverse pathways
- Excellence in employer engagement and response to employer needs
- High quality teaching and research attracting and retaining excellent staff, providing career progression and continuing professional development in Shetland.

To make sure Shetland UHI provides opportunities for all then we will:

- Enhance the visibility of all Learning Centres including Lerwick and the remote and rural communities, increasing their role in supporting lifelong learning
- Strengthen relationships with local communities to support learning for capacity building, local enterprise and local civic leadership;

- Increase uptake of learning for specific target groups such as parents, for whom local learning is more accessible than centralised learning
- Create stronger links with local organisations supporting carers, care experienced people, and people experiencing other barriers to learning, to create access to learning that meets learners' needs and encourages their aspirations, enabled by well-planned student support services
- Work within UHI to provide the widest possible provision in the islands.

Each curriculum delivery section will establish an employer's forum (or similar), which will be designed to inform curriculum and ensure the skills needs of local employers are understood and addressed. To make sure that we continue to contribute and support Shetland's economy we will develop:

- A one-stop approach to short course enquiries, administration of bookings, consistent pricing and customer follow-up
- Institute of Leadership and Management centre accreditation, increasing the range of short courses for leadership, management, coaching and mentoring
- A review of short course provision in particular looking to support and promote entrepreneurship for our students and local start-ups
- Feasibility studies to inform direct support to enterprise through college facilities such as the training kitchen, the Textile facilitation Unit and Information and Communications Technology facilities for business-hub use
- Research in particular subjects relevant to Shetland and with international profile.

Governance

Shetland, UHI will be established as a non-incorporated college. It will be an assigned college to UHI the Regional Strategic Body (RSB) for the Highlands and Islands. The new body will seek charitable status through registration with OSCR prior to vesting.

The steps to the launch of Shetland UHI

Now the Ministerial business case has been endorsed and submitted then there is a period of local consultation with staff, students and stakeholders. That will be followed by evaluation visits and work led by the Scottish Funding Council after the summer.

There will then be a further period of consultation led by the Scottish Government before a final decision on the merger is made by the Minister. Time will then be required in order for legislation to dissolve the current colleges and create the new one. We will be sharing news of our progress and if you would like to be kept informed then please contact us by emailing shetlandmerger@uhi.ac.uk or telephone 01595 771000.

We are carrying out a formal consultation to gather views about the merger business case from as many people, businesses, organisations, stakeholders, and other interested parties as possible.

You can respond to the consultation online by visiting:
www.a-new-college-for-shetland.uhi.ac.uk/consultation

Please complete the consultation online by 3rd of July. If you would like to receive the survey in a different format please contact us at collegemerge@shetland.gov.uk