

Transition Board – College Merger

Microsoft Teams

Wednesday 16 December 2020, 4.30pm

Present:

Board Members

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| Davie Sandison | Non-Executive Member [<i>Chair</i>] |
| Jane Lewis | Principal Designate |
| Glen Gilfillan | NAFC staff rep [joined at 5pm] |
| Beth Mouat | NAFC staff rep |
| Andrew Anderson | SIC staff rep |
| George Wallington | SIC staff rep |
| Cally Mair | HISA |
| Flo Jansen | HISA |
| Lauren Doughton | Non-Executive Member |
| Graeme Howell | Non-Executive Member |
| John Goodlad | Non-Executive Member |
| Karen Hall | Non-Executive Member |

Apologies

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| Irene Hambleton | Chair, NAFC Marine Centre UHI |
| Willie Shannon | Principal, NAFC Marine Centre UHI |
| Jacqui Birnie | SIC |

Observers

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| Christine Ferguson | SIC Director of Corporate Services |
| Peter Campbell | Chair, Shetland College UHI |

In attendance

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| Brendan Hall | Business Development and Projects Officer [<i>minute</i>] |
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Board Support

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| Fiona Larg | UHI |
| Sharon Drysdale | SFC [joined 6:05pm] |

| Minute Ref | Item |
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| Welcome and Apologies | Mr Sandison opened the meeting and welcomed everyone. |
| Minute Transition Board – 18 November 2020 | Mr Goodlad suggested a correction to change “central belt” to “centralisation” under TB2020-25. The minute of the meeting held on 18 November 2020 was then confirmed. |
| Matters arising | Prof. Lewis informed the board that the first two actions from the previous meeting had either been actioned or appeared elsewhere on the agenda for this meeting. The third matter arising is ongoing until the socio-economic report is released. |

| Minute Ref | Item |
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| <p>To consider brand design including consultation outcome from staff and students TB2020-29 (a, b, c)</p> | <p>Prof. Lewis introduced the paper and summarised the consultation on the brand concepts, which had been revised following the previous meeting.</p> <p>82 responses were received and over 50% of the respondents indicated that Brand Concept 2 was their first choice of those presented. Prof. Lewis advised that she had had some feedback from students who had not been keen on the designs and had been under the impression that they had not been developed by UHI. Prof. Lewis was able to advise the students that the designs had come from the UHI Marketing Team.</p> <p>Mr Anderson fed back on behalf of Shetland College staff, advising that those who had offered an opinion were similarly not keen on the designs presented.</p> <p>Ms Hall asked whether there was scope to develop the preferred concept further. Discussion then turned to the difficulties of finding something that everyone responded positively to and of briefing the design team to come up with an amended design.</p> <p>The Board noted that the consultation was clear in identifying a preference. Further feedback (such as the positioning of the flag/compass) could help the design team to tweak the design prior to launch.</p> <p>Decisions/Actions: The Board noted the consultation and the paper presented on the outcome.</p> |
| <p>Search and Nominations Committee Recommendations for Appointments TB2020-30</p> | <p>Mr Sandison introduced the paper and advised the Board that the Search and Nominations Committee have met twice in recent weeks.</p> <p>The paper covers the establishment and population of the new committees, two of which are now up and running (the Finance and General Purposes and Learning Teaching and Research committees).</p> <p>Prof. Lewis asked the Board to approve the content of the paper.</p> <p>Mr Sandison advised that the Search and Nominations Committee have been involved in the recruitment of new Non-Executive Directors this week, following a number of high-quality applications. The Search and Nominations Committee have decided to offer a place on the Board to three of the candidates and observer status to a further one candidate. Mr Sandison thanked everyone who participated, noting that appointments will be subject to relevant checks and that two representatives have been nominated from the seafood industry bodies.</p> <p>Mr Goodlad offered the opinion that the Search and Nominations Committee is an excellent example of the effective operation of a sub-committee.</p> <p>Mr Anderson asked for clarity around what observer status means in practice. Mr Sandison advised that, in consultation with UHI, it was</p> |

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| | <p>considered good practice to involve prospective board members as observers prior to the merger as the number of board members will change at this point.</p> <p>Decisions/Actions: The Board agreed the content of the paper</p> |
| <p>Update on joint working and structure to vesting TB2020-31</p> | <p>Prof. Lewis summarised the paper, advising that this was an opportunity to take stock of progress and to bring to the Board’s attention concerns expressed by SFTCT in relation to progress towards developing management structures.</p> <p>Prof. Lewis drew attention to the section on Leadership in the paper and to the HR considerations taken into account when developing the approach to the merger. This is driven by the fact that there are three organisations involved in the process.</p> <p>Finally, Prof. Lewis advised that, following feedback from Mr Shannon, some further detail had been included on the order and sequence of events around the merger. It is important to remember that this is a collaborative endeavour.</p> <p>Mr Sandison thanked Prof. Lewis and highlighted the correspondence included with the report, confirming that dialogue was ongoing with SFTCT trustees.</p> <p>Mr Howell felt somewhat confused by the letter from SFTCT as his view is that he is supportive of the approach as described by Prof. Lewis.</p> <p>Mr Sandison advised that SFTCT Trustees have a duty to be completely satisfied with arrangements at all stages. His hope is that this report will offer reassurance.</p> <p>Mr Howell asked if the papers should be pro-actively shared with all parties. Prof. Lewis noted that this was a publicly available paper and that she would anticipate that this would be shared. The letter will also be responded to formally and a copy of the report could be included with the response.</p> <p>Mr Gilfillan noted that the SFTCT is in receipt of legal advice and this will be informing the trustees level of satisfaction. Mr Gilfillan also put forward that the phased approach was not possible due to a lack of available finance. Prof. Lewis advised that no information relating to this had been received from SFTCT trustees.</p> <p>Mr Gilfillan also advised that concerns relating to second tier management were shared by senior management and staff of NAFC. Mr Gilfillan asked whether, as directors, the Transition Board should be seeing the formal HR advice.</p> <p>Prof. Lewis offered to redraft the paper and remove the section on phased approach. Prof. Lewis also noted that the HR advice included in the report was formal advice.</p> |

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| | <p>Prof. Lewis advised that the staged approach was predicated on NAFC taking its business and operation with them into Shetland UHI and noted that assurances had been sought on funding and received from SIC and that a funding bid was with SFC for Transformational Funding.</p> <p>Mr Sandison noted that the paper does highlight the need for further detail on aspects of the merger and that formal notification regarding the staged approach would be required before the Transition Board formally abandoned this approach.</p> <p>Dr Mouat reiterated that Shetland UHI would need to be a competent organisation before SFTCT trustees agree to transfer their interest into the new body. Dr Mouat also noted that the joint committees could progress irrespective of the staged approach happening, but that joint senior management prior to merger would be challenging. Prof. Lewis advised that joint senior management could be handled in a different way.</p> <p>Mr Goodlad was keen to impress upon the Board that SFTCT trustees are committed to the merger and that the letter arose from the nature of SFTCT as a charity. Mr Goodlad also asked all concerned to continue collaboration.</p> <p>Ms Ferguson reminded the Board that Shetland College is not a body, but SIC is the party involved in the merger. Ms Ferguson noted that the letter raised concerns around what it would take to reassure SFTCT, clarity on this would be required soon to enable progress. Assurances have been offered by SIC and UHI that all steps will be taken to help with a smooth transition.</p> <p>Ms Ferguson also reminded the Board that the phoenix model is new and that the staged approach would have helped reduce risks that could arise from all parties merging simultaneously.</p> <p>The Board noted the report. Prof. Lewis affirmed that discussions would continue, while noting concern around the pace of change.</p> <p>Decisions/Actions: Mr Sandison and Prof. Lewis will draft a response to the letter from SFTCT as soon as possible, taking account of the discussion today</p> |
| <p>Update – Merger Working Group TB2020-34</p> | <p>Dr Hall summarised recent progress made with regard to the merger, highlighting some key milestones reached since the last Transition Board. These included:</p> <ul style="list-style-type: none"> • Shetland UHI approved as a UHI partner • OSCR Application submitted 20 November • Secondment of Business Development and Projects Officer to Shetland UHI confirmed • Shetland UHI registered with Information Commissioner’s Office and fee paid • First Joint Committee meeting (REKT) 16 December • First workstream workshops (ICT and Student Support Services) |

| Minute Ref | Item |
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| | <p>The new format was welcomed by Board Members, noting that this was a good starting point in terms of showing the detail of the merger work. The report also links to the previous item and addresses some of the points raised around the sequence of events.</p> <p>Mr Anderson asked what TechOne was and Prof. Lewis advised that it is a UHI finance system and that we are keen to understand more about how it could meet Shetland UHI's needs. A presentation will be delivered by Niall McArthur (UHI) as soon as possible and Mr Gilfillan and Ms Larg advised that the Executive Office is launching the system in January.</p> <p>Mr Anderson also asked about the Promote Shetland engagement and Prof. Lewis advised that the discussion had been highly useful and that the materials are available on the Promote Shetland website.</p> |
| <p>Update – SFC engagement and timeline (Verbal)</p> | <p>Ms Drysdale apologised for being late to the meeting. Engagement is ongoing with Scottish Government, there is no further update on timelines.</p> <p>The SFC Board will meet tomorrow to discuss Transformational Funding related to the merger, clarity on this should be forthcoming at the January meeting.</p> <p>The MMBC will be discussed at the SFC Board meeting in January, but a decision is not required on this so this will not affect merger timelines.</p> |
| <p>Update – Options appraisal alignment (verbal)</p> | <p>Prof. Lewis confirmed that the funding has been approved and that the tender had been launched, aiming for the appointment of consultants in January 2021 with a potential report by April 2021.</p> |
| <p>To note Colleges Scotland Budget submission TB2020-32</p> | <p>Prof. Lewis advised that this paper is useful for advising the Board on the context that Shetland UHI will be working in. There will be further supplements to the paper and Prof. Lewis advised that one of these will relate to Distant Islands Allowance and recouping the cost of the Allowance from the central budget (the Allowance is currently not paid by the Scottish Government and costs are borne by colleges/local authorities).</p> <p>The Board noted the content of the report.</p> |
| <p>To note Response to UHI RAM review TB2020-33</p> | <p>Mr Howell introduced the paper, as Chair of the Finance and General Purposes committee (the committee met for the first time 6 December).</p> <p>The committee welcomed the review, noting that there are areas where more clarity is required. Mr Howell reaffirmed how important it is that the new college engages effectively at UHI level</p> <p>Mr Gilfillan advised that the UHI Finance Directors group has also discussed the paper and that questions have been raised around some of the figures in the report and where these have come from. Mr Howell noted that this was also reflected in the response.</p> |

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| | <p>Prof. Lewis advised that Shetland College Senior Management Group have also prepared a response, similar to the Shetland UHI response and that this will be submitted too. Mr Gilfillan noted that NAFC could also put in a similar response.</p> <p>The Board noted the content of the report.</p> |
| <p>Update from Partnership Council TB2020-35</p> | <p>The update is from an extraordinary meeting, called to discuss the financial situation across UHI. The new Vice-Chancellor was present.</p> <p>The Board noted the content of the report.</p> |
| Any other Business | None. |
| <p>To review Transition Board Schedule and note date of next meeting 20th January 2021 TB2020-36</p> | <p>Prof. Lewis advised that the Board Development dates have all now been confirmed and the sessions will be at 4:30pm.</p> <p>The Chair thanked everyone for their contributions to the meeting.</p> <p>The meeting concluded at 6:10pm.</p> |

END

| Minute Ref | Decision / Action | Update / Progress |
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| TB2020-31 | Mr Sandison and Prof. Lewis will draft a response to the letter from SFTCT as soon as possible, taking account of the discussion today | |