

**Transition Board – College Merger**  
**Microsoft Teams**  
**Wednesday 17 March 2021, 4.30pm**

**Present:**

**Board Members**

Davie Sandison	Non-Executive Member [ <i>Chair</i> ]
Jane Lewis	Principal Designate
Glen Gilfillan	NAFC staff rep
Beth Mouat	NAFC staff rep
Andrew Anderson	SIC staff rep
George Wallington	SIC staff rep
Cally Mair	HISA
Maria Bell	Non-Executive Member
Grant Cumming	Non-Executive Member
Lauren Doughton	Non-Executive Member
Rory Gillies	Non-Executive Member
John Goodlad	Non-Executive Member
Karen Hall	Non-Executive Member
Graeme Howell	Non-Executive Member

**Apologies**

Flo Jansen	HISA
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**Observers**

Christine Ferguson	SIC Director of Corporate Services	
Peter Campbell	Chair, Shetland College UHI	
Irene Hambleton	Chair, NAFC Marine Centre UHI	[Apologies for lateness noted]
Willie Shannon	Principal, NAFC Marine Centre UHI	

**In attendance**

Brendan Hall	Business Development and Projects Officer
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**Board Support**

Fiona Larg	UHI
Sharon Drysdale	SFC
Jacqui Birnie	SIC [Minutes]

Minute Ref	Item
<b>Welcome and Apologies</b>	<p>Mr Sandison opened the meeting and welcomed everyone.</p> <p>Mr Sandison welcomed three new non-executive members to their first meeting. He encouraged Mr Gillies, Mr Cumming and Ms Bell to ask questions and contribute to discussions.</p> <p>With reference to media coverage regarding the Islands Deal proposals, Mr Sandison said that this was incredibly positive news and that this would be important work for Shetland UHI alongside UHI. Prof. Lewis added that there would be further discussion on this initially with the</p>

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	<p>Finance and General Purposes Committee. It was noted that the priority would be on developing the Outline Business Case and that discussion would continue. It was noted that there was potential support options being explored, including recruitment of a Projects Officer to lead development of the campus projects. Prof. Lewis added that the Outline Business Case had to be completed by August with the Full Business Case requiring completion by the end of the year.</p>
<p><b>Minute Transition Board – 17<sup>th</sup> February 2021</b></p>	<p>The minutes were confirmed.</p>
<p><b>Matters arising</b></p>	<p>Ms Drysdale to share detail on assignation from the Further and Higher Education (Scotland) Act 2005 – ongoing.</p> <p>It was noted that Minute Ref TB2021-5 action was now complete.</p>
<p><b>Update from Finance and General Purposes Committee</b></p>	<p>Mr Howell, Chair of the Finance and General Purposes Committee, provided a brief update of the last meeting. He reflected that within discussion regarding Islands Deal developments that a standalone short-term working group may be required.</p> <p>Mr Howell reflected that it had been helpful to fully explore an example of the Financial Memorandum which would be established between Shetland UHI and UHI. This had provided opportunity to ensure full understanding of what was expected. Prof. Lewis added that the audit function was noted and that would have to be thought about and in particular establishing an audit committee. It was noted that there had been discussion at the University Court regarding audit committees and required action plans for certain requirements moving forward.</p> <p>Mr Howell asked for it to be noted that in light of the transitional phase toward merger, that the Committee had agreed it was necessary to meet monthly for the foreseeable. This would commence from April.</p>
<p><b>Code of Conduct and Register of Interests</b> TB2021-9</p>	<p>Prof. Lewis informed the Board that it was a requirement to demonstrate that there was an approved Code of Conduct and that Shetland UHI follows a code of good governance. The proposed Code of Conduct was provided for adoption along with a Register of Interest form.</p> <p><b>Decision:</b> The Board approved Code of Conduct (TB2021-9 Shetland UHI Board Code of Conduct) and the Register of Interests form (TB2021-9 Declaration of Interests form).</p> <p>Ms Hall enquired if the form that had been completed previously would suffice for declaration of interests or if the new form would also be have to be completed. Prof. Lewis clarified that the new form would have to be completed and that once received would then be collated and published on the website.</p> <p><b>Action:</b> Prof. Lewis to circulate an editable version of the document to Transition Board members.</p>
<p><b>SFC Engagement and timeline</b></p>	<p>Ms Drysdale apologised there was no paper and that she would instead provide a verbal update.</p>

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TB2021-5	<p>Ms Drysdale summarised findings from the SFC engagement exercised, which was summarised within TB2021-5 which had been circulated to Board members earlier that day.</p> <p><b>Action:</b> New non-executive members to be added to mailing lists.</p> <p>Ms Drysdale reflected that the engagement meetings had been positive.</p> <p>Mr Anderson, having reviewed the report, sought clarification on several points regarding accuracy. Following discussion Ms Drysdale suggested she discuss further with Mr Anderson following the meeting.</p> <p><b>Action:</b> Ms Drysdale to discuss points of accuracy enquiries with Mr Anderson.</p> <p>In noting the lack of engagement with NAFC students, Mr Goodlad inquired if that was a matter which HISA could support. Prof. Lewis provided assurance that there were regular contacts with students including meetings attended by the NAFC Depute. Prof. Lewis added she attends student rep meetings. Ms Mair added that it can be difficult to engage students, especially with Covid-19, but that they work closely with the NAFC Depute.</p> <p>Ms Drysdale outlined the steps which had taken place in progressing transition funding as well as the MMBC. It was noted that a letter has been sent from SFC to Todd Walker, Vice Chancellor of UHI. That included the considered view of SFC along with an annex of the engagement report. Ms Drysdale said that the next legal step would be assignation and the letter as outlined by Ms Drysdale would ensure there would be no ministerial intervention, therefore avoiding potential delay as a result of the pre-election period for the Scottish Government Elections.</p> <p>Ms Drysdale confirmed the vesting date would be 1<sup>st</sup> of August.</p> <p>Mr Sandison was unsure of the process and was not clear on the papers to SFC board. Ms Drysdale confirmed that the Scottish Funding Council (SFC) had recommended and endorsed the MMBC to UHI. In doing so, she acknowledged that UHI had already endorsed the MMBC in April of 2020. Ms Drysdale further clarified that the focus now was not on approval of merger but on assignation and in particular can SFC fund UHI to fund the new college.</p> <p>Mr Campbell asked why the date had moved from 1<sup>st</sup> July to 1<sup>st</sup> August. It was noted following discussion that the intention had been to align with the academic year. Ms Ferguson stated that she was surprised and confused by the change of date but that the Council would ensure that it would transfer on that date. She understood the 1<sup>st</sup> July would be a date for NAFC to transfer on. Ms Ferguson asked for it to be noted that the short time between the two organisations transferring in was very short. Ms Ferguson stated that as an outgoing employer there must be absolute</p>

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	<p>clarity on those dates, especially as there was a considerable amount of work required. Ms Ferguson gave assurance that the Council would be prepared and that due diligence information would be shared next week.</p> <p>Mr Shannon said that it was a condition for Trustees to be satisfied regarding the financing of Shetland UHI post-merger. Mr Shannon said that the Trust completed their due diligence in 2018.</p> <p>It was agreed that a meeting would be held with Ms Drysdale the following week to further understanding of the steps to merger.</p> <p><b>Action:</b> A meeting would be organised with Ms Drysdale.</p> <p>In response to an enquiry from Mr Howell, Ms Drysdale apologised for the delays in getting the transformational funding signed off but that would be done.</p>
<p><b>Update on process to merger</b> TB2021-10</p>	<p>Dr Hall outlined key points from the report, including progress updates as follows:</p> <ul style="list-style-type: none"> <li>○ PVG checks for all board members would be progressed</li> <li>○ There had been presentations to all staff on LGPS. SPPA was being followed up</li> <li>○ Insurance was being looked into and Dr Hall thanked NAFC and SIC for assistance</li> <li>○ Due diligence with legal representatives ongoing.</li> </ul>
<p><b>Update – Merger Working Group</b> TB2021-11</p>	<p>Dr Hall outlined key points from the report, including progress updates as follows:</p> <ul style="list-style-type: none"> <li>○ Finance work stream was focussed on looking into best finance systems. Noted the assistance from NAFC in their experience with current system, which may be required due to delays with Tech1</li> <li>○ SRO work stream has been scoped and there has been meetings to look into admin and organisational matters including room bookings</li> <li>○ Close monitoring of potential impacts as a result of cyber-attack</li> <li>○ Looking into potential secondment for website.</li> </ul> <p>In response to a query from Ms Bell, Dr Hall said that providing opportunity for a student with website development would be looked at.</p> <p>Prof. Lewis stated that the risk register, which would be considered at the next meeting, would reflect on the cyber-attack.</p> <p>In response to a query from Ms Bell, Ms Larg confirm that the UHI had cyber-essential certification.</p>
<p><b>Update – Alignment Options Appraisal</b></p>	<p>Prof. Lewis said that there have been papers on exploring further collaboration and sustainability for the smaller colleges within the UHI partnership. Prof. Lewis added that Rockburn Management Consultants were working on an options report, due at the end of April which would explore ways for the colleges to work effectively together.</p>

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	<p>It was also noted that it had been announced that UHI were looking at collaborating with SRUC. Reports on that would be available by the early summer.</p> <p>Prof. Lewis said that whilst our focus is on merger it is important to be interested in future alignment considerations within the partnership.</p> <p>In response to a query from Mr Cumming, Prof. Lewis confirmed that the Rockburn consultancy exercise was fully funded by UHI. Prof. Lewis agreed with Mr Anderson's point about the bad timing of the exercise, especially as students were on their Easter break. Prof. Lewis confirmed she had enquired about this but had not heard back.</p> <p>Dr Mouat asked for it to be noted that not all staff are in the Union and that it was important that with any staff engagements that all staff are given the opportunity.</p>
<p><b>Update from Court</b></p>	<p>Mr Sandison said that the UHI Blueprint was progressing, which was a response to looking at financial challenges, sustainability and required efficiencies within the partnership. He added that in November last year it had been noted there was a requirement to save £20m. Therefore the blueprint proposals explore ways to target savings and efficiencies.</p> <p>In response to a query from Mr Howell, Ms Larg confirmed the savings target was circa 10% across the partnership.</p> <p>Mr Sandison said that it was a challenging situation. Prof. Lewis added the next version of the document would then be in the public domain and would be shared.</p> <p>Mr Gilfillan said that there had lengthy discussion within the UHI finance directors group and that the draft report had not been well received.</p>
<p><b>Update from Partnership Council</b> TB2021-12</p>	<p>It was noted that as a result of the cyber-attack the communications team had been held up and unable to circulate within normal timescales. Prof. Lewis would circulate once available.</p> <p><b>Action:</b> Partnership Council update to be circulated once available.</p>
<p><b>Strategic Context – Our Ambition</b> TB2021-13</p>	<p>Prof. Lewis, in introducing the report, reflected on the documents importance for Shetland UHI as it sets a clear ambition for Shetland which, we will be an active partner in working toward.</p> <p>Mr Goodlad said that he thought it was a very good document.</p> <p>It was noted that it would be helpful to more in-depth considerations at a later date.</p>
<p><b>Any other Business</b></p>	<p>Ms Larg said this would be her last meeting as she was retiring at the end of the month. She said that Roger Sendall would take over. Ms Larg wished the board the best. Mr Sandison thanked her for her invaluable support and direction.</p>

<b>Minute Ref</b>	<b>Item</b>
<p><b>To note Transition Board Schedule and date of next meeting 21<sup>st</sup> April 2021</b> TB2020-36</p>	<p>It was noted that there were additional dates for the finance committee, as highlighted earlier in the meeting.</p> <p>The board development sessions with staff were discussed. All board members said that they had found them useful and informative with the format working well.</p> <p>It was noted that Prof. Lewis would be in touch with the new non-executive members to discuss induction arrangements.</p> <p>The Chair thanked everyone for their contributions to the meeting.</p> <p>The meeting concluded at 6:05pm.</p>

END

<b>Minute Ref</b>	<b>Decision / Action</b>	<b>Update / Progress</b>
TB2021-9	The Board approved Code of Conduct (TB2021-9 Shetland UHI Board Code of Conduct) and the Register of Interests form (TB2021-9 Declaration of Interests form).	N /A
	Prof. Lewis to circulate an editable version of the document to Transition Board members.	COMPLETE
TB2021-5	New non-executive members to be added to mailing lists.	COMPLETE
	Ms Drysdale to discuss points of accuracy enquiries with Mr Anderson.	COMPLETE
	A meeting would be organised with Ms Drysdale.	COMPLETE
TB2021-12	Partnership Council update to be circulated once available.	COMPLETE