Education and Culture Committee
Post-16 Education (Scotland) Bill
Perth College

Introduction

The University of the Highlands and Islands (UHI), comprised of 13 academic partners and the university, is in the vanguard of regionalisation, bringing together incorporated and non incorporated colleges and research institutions to work together strategically in the planning and delivery of cohesive tertiary education that meets the needs of local and regional stakeholders. Perth College, as an academic partner in the University of the Highlands and Islands, already operates within a regional context in the Highlands and Islands region. Perth College therefore welcomes the Post-16 Education (Scotland) Bill (the Bill) and is broadly supportive of its content.

There are areas in the Bill that concern Perth College in enabling the College and UHI to fulfil its potential in creating a new kind of university that is genuinely tertiary in nature.

These are:
1. The creation of a ‘Regional Strategic Body’ as distinct from the FE Regional Board;
2. The appointment of the FE Regional Board Chair;
3. The appointment and oversight of the College Principal;
4. Ensuring efficient learner journeys and the right education in the right place;
5. The responsibility and accountability of the different bodies;
6. The size of the Board;
7. The costs of implementation.

Background

The Cabinet Secretary convened a Working Group, chaired by Dr Michael Foxley, with a remit, inter alia, to specifically address the structure, remit and powers of the new FE Committee and the roles and responsibilities of the UHI Court, the FE Committee, the Boards of Academic Partners and the relationship of these bodies with each other.

The Working Group reported on 1 October 2012 and the Cabinet Secretary confirmed he was ‘broadly content’ with the proposals (letter 8 Oct 2012). The Board of Perth College endorsed the Working Group’s report as a useful roadmap for progress in the implementation of regionalisation.

The ‘Regional Strategic Body’ as distinct from the FE Regional Board

The Bill creates Regional Strategic Bodies and lists UHI as a Regional Strategic Body. The Regional Strategic Body is separate to the Regional Board. The Regional Strategic
Body has a number of duties, including but not limited to, administration of funds, performance monitoring and strategic planning.

The UHI Working Group report agreed that UHI would have an FE Regional Board, which would be a committee of UHI Court and would have ‘delegated power to plan and allocate funding for further education in the region’. The Bill would remove those powers from the FE Regional Board and place them with UHI as the Regional Strategic Body.

The thrust of the UHI Working Group report was to build trust and confidence through a transitional journey for the University and the Cabinet Secretary recognised that the ‘Working Group’s report provides a solid base for UHI to move forward with a renewed sense of cohesion and collaboration’. (letter 8 Oct 2012). An important plank in building trust and confidence was the creation of an FE Regional Board with responsibility for the administration of funds, performance monitoring and strategic planning.

It is recognised that the post 16 Bill has been developed for a range of different regions. The Highlands and Islands has a unique delivery model, creating a challenge to fit it alongside the other regions in any legislation. However, the creation and naming of UHI as a Regional Strategic Body could have unintended consequences in undermining the work of the UHI Working Group that established an operating model for regional FE provision that had broad buy-in, allowing time for the necessary changes in UHI’s operating model in line with the recommendations of Capita, the independent consultants funded by SFC to develop a new operating model for UHI.

**The appointment of the Regional Board Chair**

The current bill does not include the appointment of the FE Regional Board Chair for the Highlands and Islands as an independent appointment.

The UHI Working Group proceeded on the premise that there would be an independent Chair appointed to lead FE in the Highlands and Islands region, mirroring the other regions. This view was supported by the appointment of an FE regional lead (Dr Michael Foxley), in tandem with the 12 other FE regions.

The appointment of an independent chair was intended to safeguard and separate FE provision from the University, at least for the period that the University reconstituted itself consequent to the SFC funded Capita report.

There was broad sign up to the UHI Working Group report and to deviate from its principles could be detrimental to the building of trust across the partnership at this key stage in the University and Colleges development.

**The appointment and oversight of the College Principal**

Under the terms of the current Bill, Perth College will remain the employer for all staff, including the College Principal. We welcome this. For any new Principal appointment,
Perth College’s understanding is that the Regional Strategic Body (ie UHI) will be responsible for the appointment of the College Principal on such terms and conditions as they think fit. This has both financial and employment law consequences.

Financially, the remuneration set by the Regional Strategic Body will have to be paid by the College. There is no mechanism to hold the Regional Strategic Body to account to provide sufficient funds to meet any remuneration, including pension provision, they may impose on the College. The ongoing pension burden of staff is a live issue for the College. This financial year, Perth College had an additional charge of £166K against the income and expenditure account as a result of an actuarial revaluation of early retirement pension benefits given to staff in the mid to late 1990’s (all such additional pension benefits would now require Board approval). This £166K was an expense, in a challenging financial year, diverting funds from activity to enhance the student experience. There is a potential for a ruinous financial legacy to be imposed on a College, to the detriment of learners, with no mechanisms to manage or mitigate that risk.

There are employment law issues in terms of the responsibility for continuing employment, reward and dismissal. For example, a Regional Strategic Body could be satisfied with a Principal’s performance to the extent of awarding a bonus, whilst the College, as employer, was instituting disciplinary action for a serious contractual breach. This could lead to lengthy and expensive contractual disputes, played out in the public domain that would be damaging for the sector as a whole.

**Ensuring efficient learner journeys and the right education in the right place**

The proposed bill amends the Further and Higher Education (Scotland) Act 1992. It retains section 12 of that Act, whereby a Board of Management shall have a duty of managing and conducting their college. This is welcomed by Perth College.

Perth College is both a university and a college provider of education and training for its local communities. It is vital we retain the autonomy to work with Community Planning Partners in Perth and Kinross and Tayside to create life opportunities by aligning non-advanced learning and skills with jobs and growth in the local area. Perth College must maintain its direct connection with employers to ensure the shortest possible lines of communication between need and delivery.

The creation of a ‘Regional Strategic Body’ threatens to remove the autonomy necessary to ensure efficient and flexible learner journeys. The unique geography of the Highlands and Islands region requires institutional autonomy to be maintained to meet highly diverse local stakeholder needs. Perth College, whilst fully committed to UHI, also has a rich and diverse hinterland outwith the University. The 9000 strong student body in Perth College largely come from within a 30 mile radius of the institution and Tayside region is a clear option for travel to Perth. Perth College needs to be able to continue to build and develop its links with partners in our locality of Perth and Kinross and in the neighbouring Tayside, Fife and Forth Valley regions.
In 2011/12, 46% of Perth College’s total income was not Scottish Funding Council Income. Perth College needs to retain this income for investment to continue to meet locally specific needs, including a commercial focus at local level to deliver local benefits. The necessity for College approval of any transfer of staff, property etc by or to the Regional Strategic Body is noted and welcomed.

**The responsibility and accountability of the different bodies**

Perth College Board currently has a clear understanding of its accountability for all matters concerning the college as an employer, including ensuring the health and safety of its staff and students and meeting its equality duties. Under the Bill, it is clear the Board remains *responsible* for the above matters but it is less clear where *accountability* lies.

As an example, with the creation of a Regional Strategic Body, it is not clear which body would be accountable for a catastrophic health and safety failure on the College campus. Currently, the Board is clear it is the accountable body and has worked, with the support of a Board level health and safety champion, to raise the profile of health and safety across the institution and manage and mitigate risks as far as possible. As the Regional Strategic Body has the power to direct Colleges, it is not clear which body would be accountable if an incident was as a result of following the Regional Strategic Body’s directive.

Given the unique geography of the Highlands and Islands region, it is recommended that institutional autonomy and accountability be maintained to secure the wellbeing of all Perth College’s students and staff.

**The size of the Board**

The UHI Working Group recommended a reduction in the size of Boards of Management to 12 members. Perth College Board supported this recommendation and continues to recommend an optimum Board size of 8 – 12 members. This would enable the Board to continue with the current level of staff members (one from support and one from teaching). The Board considers the staff voice to be of critical importance and that support and academic staff bring different but equally valuable knowledge and experience of the College to bear on decision making.

It is recognised that the reduction in Board size is linked to the creation of a Regional Board. For Colleges in the Highlands and Islands region, many of the responsibilities of the FE Regional Board were previously SFC responsibilities and therefore do not remove any college level responsibilities. The Board will retain the same level of responsibility (if not accountability, to be clarified) as previously.
**The costs of implementation**

The creation of a ‘Regional Strategic Body’ in addition to a Regional Board/Committee creates unnecessary bureaucratic layers. There will be a cost associated with the creation of regional bodies that could lead to a reduction in the funding available for the students. In UHI there are concerns, as documented in the Capita report, that purely administrative bodies create additional and hard to control costs. The priority is to ensure FE funding goes where it is needed, directly through the FE Regional Board to the delivery arm. As the delivery body, Colleges are closest to the student and have ownership of the need to ensure the maximum level of funds are available to impact and improve on the learner journey.

**Recommendations**

There is not a separate ‘Regional Strategic Body’ in the Highlands and Islands region. Administration of funds, performance monitoring and strategic planning for FE should be the responsibility of the FE Regional Board/Committee.

The FE Regional Board Chair is appointed by an independent appointment process.

The College Principal continues to be appointed and terms and conditions set by the College Board of Management.

The Boards of Management of Colleges in the Highlands and Islands region retain responsibility and accountability for conducting the business of the College.

College Boards of Management in the Highlands and Islands region comprise 8-12 members.

**Summary**

Many of the areas in the Bill that may present a challenge to other regions, such as the duty to collaborate with other post 16 providers, are already hardwired into Perth College’s strategy, structure and operation.

We fully support the aims of Putting Learners at the Centre. The above areas of concern are therefore highlighted in a genuine desire that regionalisation should fulfil its potential in the Highlands and Islands region and enable us to continue to meet the needs of learners in our locality of Perth and Kinross and the Highlands and Islands region.