

Shadow Board – Shetland Merger Project

Committee	Shadow Board
Subject	Review additional information on incorporation
Action requested	<input checked="" type="checkbox"/> For information only <input type="checkbox"/> For discussion <input type="checkbox"/> For recommendation
Brief summary of the paper	Provides further explanation from UHI on the challenges of Incorporated versus Unincorporated.
Resource implications [if yes, please provide detail]	No
Risk implications [if yes, please provide detail]	No
Date paper prepared	03-Feb-20
Date of committee meeting	12-Feb-20
Author	Principal Designate
Equality and diversity	No
Status	Non-confidential
Freedom of Information Can this paper be included in 'open' business?*	Yes

A copy of an email from Fiona Larg is attached as Appendix 01. This has been provided to help explain the challenges of Incorporated versus Unincorporated.

Shadow Board for Shetland Institute UHI

Appendix 1

From: Fiona Larg <Fiona.Larg@uhi.ac.uk>
Subject: Incorporation of college
Date: 24 December 2019 at 10:35:12 GMT
To: Jane Lewis <Jane.Lewis@uhi.ac.uk>

Dear Jane

I am aware that the Educational Institute of Scotland (EIS) has written to you expressing concern regarding the proposed governance arrangements for the new institute to be formed through the merger of Train Shetland, Shetland College and North Atlantic Fisheries College. As the proposed institute will be a body assigned to the University of the Highlands and Islands, this is the University's perspective on the matter.

The new institute being proposed in Shetland will bring together Shetland College, North Atlantic Fisheries Trust and Train Shetland into a single body that will be more sustainable and responsive to education and training needs in Shetland. A significant part of the new institute's work will be its applied research that supports key industries in Shetland, notably, fishing, marine and creative industries.

This institute will be an organisation that spans all tertiary education levels providing programmes from access level to post-doctoral level study and research. As such, rather than being a further education college, the institute will be the presence of the University of the Highlands and Islands in Shetland. Much of the work of this proposed institute could not be classified as 'further education'. This is illustrated by the income profile of one of the merging partners, whereby 70% of the income of North Atlantic Fisheries College is drawn from sources other than the Scottish Funding Council. Incorporated body status, therefore, is not regarded by the University as relevant, nor the most appropriate, to the on-going development of this new body.

While a non-incorporated governance model is regarded as the more appropriate model for the new institute to adopt, this does not detract from the University's commitment to strong governance and I give assurance that as an assigned body to the University of the Highlands and Islands, the institute will be subject to the same high standards of governance as applies to incorporated colleges. Moreover, as the institute will deliver further education, alongside its higher education and research, it will be subject to the terms of the National Recognition and Procedures Agreement as a condition of grant.

I hope this is helpful.

Kind regards

Fiona

Fiona M Larg MBE, BA (Hons), CA, FloD
Chief Operating Officer and Secretary
[Prìomh Oifigear Gnìomhachaidh agus Rùnaire](#)

University of the Highlands and Islands, Executive Office, Ness Walk, Inverness IV3 5SQ
Oilthigh na Gaidhealtachd agus nan Eilean, Oifis Stairidh, Slighe Nis, Inbhir Nis IV3 5SQ

DDI 01463 279211 Fax: 01463 279001 Web: www.uhi.ac.uk

A Millennium Commission lottery project. A limited company registered in Scotland no. 148203. Scottish charity no. SC022228. Registered office: 12B, Ness Walk, Inverness IV3 5SQ.