BOARD OF MANAGEMENT

AGENDA

A meeting of the Board of Management will be held at 14:00 hours on Tuesday 12 December 2023 in the Boardroom, Milton Road Campus.

		Lead Speaker	Paper
1.	WELCOME & APOLOGIES	Chair	
2.	DECLARATIONS OF INTEREST	Chair	
3.	[MINUTES OF THE PREVIOUS MEETING](#) *for approval*	Chair	**A**
4.	MATTERS ARISING REPORT	Chair	**B**
5.	PRINCIPAL & CHIEF EXECUTIVE REPORT	A Cumberford	**C**

Item 5 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs

6.	EDINBURGH COLLEGE STUDENTS' ASSOCIATION REPORT	S Marriner	**D Attached**

7.   FOR APPROVAL

7.1.	ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE PERIOD TO 31 JULY 2023	S Cook / A Williamson / M Speight	**E**

      i.   Audit & Risk Assurance Committee Annual Report 2022/23
      ii.   Annual Accounts & Financial Statements to 31 July 2023
      iii. 2022/23 Annual Audit Report
      iv. Letter of Representation

The Annual Report & Financial Statements are presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication

7.2.	EDINBURGH COLLEGE DEVELOPMENT TRUST MEMORANDUM OF UNDERSTANDING 2023/24	N Croft	**F**

The ECDT MOU is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication

8.   FOR DISCUSSION

     8.1.   BOARD STRATEGY SESSION REPORT 01.11.23:   Chair /   **G Attached**
            AI STRATEGY DEVELOPMENT   J Buglass

     8.2.   BOARD EQUALITY, DIVERSITY & INCLUSION   A Killick   **H**
            WORKING GROUP UPDATE

     8.3.   COMMITTEE BUSINESS

          8.3.1. <u>Planning & Resources Committee</u>
          Recruitment, Retention & Credits Dashboard   J Pearson   **I Attached**
          Management Accounts Summary to October 2023 A Williamson **J Attached**

     8.4.   GOVERNANCE REPORT   M Walker   **K Attached**

9.   ANY OTHER COMPETENT BUSINESS
     9.1.   Board Reflections / Feedback

10.   FOR INFORMATION

     10.1.   Audit & Risk Assurance Committee Minutes 11.10.23   **L**
     10.2.   Planning & Resources Committee Minutes 16.11.23   **M**
     10.3.   Learning, Teaching & Student Experience Committee   **N**
           Minutes 17.11.23
     10.4.   Audit & Risk Assurance Committee Minutes 22.11.23   **O**
     10.5.   Corporate Development Committee Minutes 23.11.23   **P**
     10.6.   RIDDOR Report   **Q Attached**

11.   FOR CIRCULATION

     11.1.   [Regional Outcome Agreement 2023/24](#)
     11.2   [Risk Appetite Statements (October 2023)](#)
     11.2.   [Top Level Risk Register December 2023](#)
     11.3.   [Board of Management: Agenda Planner 2023/24](#)

12.   CLOSED ITEM(S) OF BUSINESS

     12.1   Remuneration Committee Minutes 04.10.23   I McLaughlan   **R**

13.   DATE OF NEXT MEETING: 26 March 2024

     13.1.   <u>Upcoming Committee & Development Event Dates</u>
           Board Development Session   07 February 2024
           Planning & Resources Committee   29 February 2024
           Audit & Risk Assurance Committee   06 March 2024
           Corporate Development Committee 07 March 2024
           LTSE Committee   08 March 2024

Title	**Edinburgh College Students' Association Report**
Appendices	None.
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Skye Marriner, Student President
Date of Production	29.11.2023
Action Required	For Approval ☐ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☒ / No ☐ *(If 'yes' please complete Section 5.3)*

1.   **RECOMMENDATIONS**
         The Board are asked to NOTE the information provided in the EC Students' Association
         Report.

2.   **PURPOSE OF REPORT**
         To update the Board on the various activities of EC Students' Association for the months
         of October, November and December 2023.

3.   **KEY INSIGHTS**

  3.1.   **RECENT EVENTS**

  3.1.1. **Class Rep Recruitment & Meetings**

  In the first part of the 2023-24 academic year, EC Students' Association worked with
  Learning Development Tutors (LDTs), and Lecturers with tutorial hours to get as many
  Class Reps registered as possible. Overall, 473 Class Reps were registered. Considering
  the major disruption caused by strikes being held by lecturers' union EIS local for the
  first six weeks of term, we see this as a high uptake, though numbers are slightly down
  on last year (502 Class Reps registered in 22/23). We are pleased to share that a higher
  proportion of Class Reps undertook training this year (214, versus 179 last year).

  A short paper, which can be viewed **here**, summarising the outcomes of our first-Class
  Rep meetings of the year was presented to the Learning, Teaching and Student
  Experience Committee in late November.

  3.1.2. **EC Students' Association Board of Trustees recruitment**

  Recruitment of our External Trustees is now being finalised, and we hope to be able to
  publish the details of our new Trustees before the end of the year. The two vacant
  Student Trustee roles have now been advertised and the interviews for these roles will
  commence shortly. We hope to have our first full Board meeting in early January 2024.

3.1.3. Board of Management Reverse Shadowing Scheme

In October, Student President Skye Marriner contacted all Edinburgh College Board Members to gauge interest in the Reverse Shadowing Scheme being set up as part of her priority objectives. We were delighted to welcome our first Board Member, Becky Duff, on Monday 20th November to Sighthill campus. Becky met the full EC Students' Association team (Officers and Staff) and discussed key strategy points of how we could better collaborate with the Board. We then held a stall in the Sighthill Atrium to facilitate some conversations with students, by asking them to rate their experience of Edinburgh College so far.

We are delighted to be welcoming another Board Member, Eleanor Sim, to attend her shadowing session on Tuesday 5th December, and are exploring dates in 2024 for Nora Senior, Ian McLaughlan, Sue Cook and Ross Laird.

Should other Board Members wish to take part in the scheme for a full or half day, we would love to hear from you.

3.1.4 Feedback Fridays

We recently began an initiative called 'Feedback Fridays' to gather feedback from students on specific issues. Every second Friday, we are going to ask students a simple question via our newsletter, which is sent via email and reaches approximately 13,000 students every two weeks. We hope that this initiative will mean that we can do a quick-fire 'temperature check' with students on issues that are being fed back by the wider student community. This will then feed into conversations with Senior Management and Board Committees when EC Students' Association is representing and relaying student views.

3.1.5. Clubs & Societies

This year we have launched a number of Clubs and Societies which aim to increase students' sense of belonging, by providing an opportunity for them to socialise with their peers in a relaxed, informal setting. This is the first time since the pandemic that clubs and societies have taken place at this scale on campus. Some of our most successful clubs such as Tabletop Games club, Video Games club, our LGBTQ+ club and our Crafternoon Club have seen regular engagement on Sighthill, Milton Road and Granton Campus.

3.1.6. Principal Live Q&A via Teams

On Wednesday 15th November, we held an online Q&A with the Principal, Audrey Cumberford, and Vice Principal Education & Skills, Jonny Pearson. Students submitted their questions in advance, on topics which ranged from facilities issues to funding and equality on campus. The session and transcript are now available on our [website](#).

3.1.7. Pop-up Stalls

Since the start of term, we have run a variety of drop-in stalls, including:

- Mental Health check-in stall at Sighthill, where we gave out self-care treats and had conversations with students about their mental health and wellbeing. This

also involved the College's Wellbeing team who advertised the support services they run for students.

- At Halloween, we ran a stall to give away freebies and promote our Halloween Costume and pumpkin-carving competitions.

- We also ran a stall in conjunction with Anti-Bullying Week at Milton Road campus, which proved a great way to engage with students about their time at College and open the conversation about how bullying can be prevented.

3.1.8. National Union of Students

Our affiliation with National Union of Students (NUS) continues and in October our Full-Time Officers attended 'The Gathering', a networking event for sabbatical officers across universities and colleges in Scotland. Recently we have promoted democracy initiatives NUS are running ahead of the next General Election, such as their collaboration with Citizencard, which provides students with a free official photo-ID card, as well as their 'What Students Think' campaign which will shape future of the NUS political campaigns.

3.2. CURRENT & UPCOMING EVENTS

3.2.1. Wellbeing Fair

On 5th December at 10am-2pm we are hosting a Wellbeing Fair at Granton Campus. We recognise that December can be a bittersweet time for people, want to help support students to have the best mental health and wellbeing they can. We are inviting several external organisations to take part, including:

- Penumbra
- Street Assist
- SPACE Youth
- LGBT Youth Scotland
- NHS Healthy Respect
- Thrive
- Get2gether Edinburgh

- Volunteer Edinburgh
- Edinburgh Women's Aid
- Health In Mind
- Social Security Scotland
- Midlothian Young Carers
- Nightline
- Samaritans

3.2.2 Go Green Hubs

Our SwapShops and Community Fridges continue to run on all four campuses, with weekly food deliveries restocking the Community Fridges with fresh food once per week for the whole academic year. More than five tonnes of food waste have been redistributed already this year, and we are on course to redistribute a total of more than 14 tonnes this academic year.

4. **IMPACT AND IMPLICATIONS**
   The Board retains an overview of Students' Association activity in the interests of good governance. The Board approved the 2023/24 EC Students' Association funding bid in June 2023. The Students' Associations funding for the academic year was subsequently finalised in the College Budget 2023/24.

5. ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1 Alignment to Edinburgh College Strategic Pillars *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	☒	Finance Strategy	☐	People Strategy	☐
Commercial Strategy	☐	Digital Strategy	☐	Other	☐

5.2 Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☒	Credit Target	☐	Equality, Diversity & Inclusion	☒
Student Satisfaction	☒	Adjusted Operating Position (AOP)	☐	Staff Costs	☐
Student Retention	☒	Non-SFC Income	☐	Staff Engagement	☐
Student Enrolments	☐	Gross Carbon Footprint	☒	Partner Engagement	☒

5.3 Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
(2) STUDENT RETENTION AND ATTAINMENT	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	4	5	20
Lead Committee: LTSE Committee	Residual (Net) Risk		
	Probability	*Impact*	*Score*
Strategic Pillar: Curriculum	3	5	15
	Movement		⇩

Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the EC Risk Management Policy & Procedure]

Title	Board Strategy Session 01.11.23 – AI Strategy Development
Appendices	None.
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Jon Buglass, Vice Principal Innovation, Planning & Performance
Date of Production	23.11.23
Action Required	For Approval ☐ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☒ / No ☐ *(If 'yes' please complete Section 5.3)*

1.   RECOMMENDATIONS
      The Board of Management are asked to NOTE the discussion points arising from the Board Strategy Session on 1 November 2023, and CONSIDER the next steps relating to the development of an Edinburgh College Artificial Intelligence (AI) Strategy.

2.   PURPOSE OF REPORT
      On 1 November 2023, the Board of Management and the Senior Management Team held a joint strategy session at the Granton Campus. This report provides brief overview of the session, the discussions held, and the proposed next steps.

3.   KEY INSIGHTS

      3.1   AI Session Overview

      The session was facilitated by the Vice Principal Innovation, Planning & Performance, the Executive Lead for the Edinburgh College Digital Strategy 2022-25. All pre-reading / viewing[1] materials and the presentation slides available can be viewed on the Board Portal here.

      The Vice Principal specifically referenced the Scotland's AI Strategy, a document published by the Scottish Government in August 2022 which in their own words:

      "Sets out three parallel tracks to build an AI 'powerhouse' and notes that 'because data powers AI, we recognise that our data infrastructure is crucial to Scotland's future'. The strategy also indicates that 'AI only creates value when it's based on the right high-quality data'.

      Following an initial presentation and discussion, Board and SMT Members were split into three groups and asked to undertake a SWOT analysis based on the following challenge question:

      "In developing a College strategy, what do groups consider are the opportunities and risks that AI presents. Participants are asked to reflect on their own area of influence."

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[1] *2023 Keynote Presentation (29mins) by Michael Webb, Director of Technology and Analytics at JISC.*
Michael Webb is co-lead of JISC's national centre for AI in tertiary education.

3.2   Feedback / Points of Discussion

Individual groups SWOT analyses can be viewed on the Board Portal here.

Key points arising from the plenary session and subsequent discussions are noted below:

- **Students want to use AI:**

  - The need to 'embrace' the opportunities and benefits offered by AI across all aspects of College business.

  - The consensus that students and staff are already widely using AI application regular to enhance learning, teaching and assessment.

  - 'User-driven process' with individuals already choosing AI assisted options to increase efficiency and improve outcomes ('path of least resistance').

- **Overarching values and principles**

  - The development of a College specific AI tool, and the need to ensure that any such system is based on high-quality data and in-keeping with General Data Protection Regulation (GDPR).

  - The requirements of current / future employers around graduates' understanding and use of AI applications.

  - The inherent biases already within AI programmes, and ways to avoid entrenching such biases.

  - The requirement for a set of College principles / values relating to the use appropriate use of AI.

- **Changes to the pedagogical environment:**

  - Not making assumptions about what students / employers want with regards to learning preferences. Individuals will have different preferences based on their own circumstances and needs.

  - The College as a place where social interactions and learning can take place.

  - AI as a tool for intelligence amplification / enhancement. *[Example, the use of AI to support lesson planning, creating time for creative endeavours or contact time with students]*

  - Teaching as a learned skill. AI not considered a replacement for lecturers but as a tool to support developments across learning and teaching.

- **External environment**

  - The rate of change in the field of AI, and the difficulties predicting how technologies will develop over the medium to long-term.

- o Initiatives and best practice implemented by other institutions / bodies in the tertiary education sector.

- o The barriers to change embedded within both the college and public sectors. *[Example, the need for awarding bodies, such as the SQA, to adapt to the demands placed on colleges by students and employers]*

- **College Infrastructure**

  - o Current infrastructure should not define the College's AI Strategy. AI technologies may mean the College needs to reevaluate both its current estate and digital infrastructure.

  - o The funding available to colleges to develop and implement AI technologies.

  - o The need to future-proof College infrastructure (and practices) to ensure it remains flexible to meet the demands of technological innovations.

- **Stakeholder engagement**

  - o Approaching the development of an AI Strategy with the College workforce

  - o Initial communications with staff and students to help facilitate the required transition to digital solutions.

  - o Communications to businesses, partners, and prospective students that 'we are an AI enabler' and the College will actively encourage the appropriate use of AI tools.

3.3 Next Steps

Utilising the feedback from both Board and SMT Members, it was agreed that the Vice Principal Innovation, Planning & Performance would to progress with an AI Strategy / Manifesto which outlines relevant high-level principles.

It is expected that a draft AI Strategy / Manifesto will come forward to the Planning & Resources Committee on 16 May 2024 for further consideration.

4. IMPACT AND IMPLICATIONS

In September 2023, the Board of Management approved a refreshed Digital Strategy 2020-25, which outlines a vision for Edinburgh College *"to be a leading College in the UK for digital learning, teaching and operations, with data driven innovation at its core"*.

The use of digital technologies will continue to be a defining feature of the College's performance and is critical to 'future proofing' our curriculum, how we deliver learning, and reimagining current business processes. What we deliver and how we deliver, aligned to our long-term financial sustainability, will be heavily dependent on our digital capacity - in terms of our digital proposition for staff, students, and stakeholders.

5. ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1 Alignment to Edinburgh College Strategic Pillars *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	☐	Finance Strategy	☐	People Strategy	☒
Commercial Strategy	☐	Digital Strategy	☒	Other	☐

5.2 Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	☐	Equality, Diversity & Inclusion	☐
Student Satisfaction	☒	Adjusted Operating Position (AOP)	☐	Staff Costs	☐
Student Retention	☐	Non-SFC Income	☐	Staff Engagement	☒
Student Enrolments	☐	Gross Carbon Footprint	☐	Partner Engagement	☒

5.3 Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
(24) Cyber security breaches within the college **Lead Committee:** Planning & Resources **Strategic Pillar:** Digital	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	5	5	25
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	4	5	20
	Movement (since last review)		⇔
25) Fineable breach of the General Data Protection Regulation or Privacy and Electronic Communications Regulations **Lead Committee:** Planning & Resources **Strategic Pillar:** People	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	4	5	20
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	3	4	12
	Movement (since last review)		⇔
(28) College estate infrastructure not aligned to meet business need **Lead Committee:** Planning & Resources **Strategic Pillar:** Curriculum / People	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	3	5	15
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	3	4	12
	Movement (since last review)		⇔
(27) Workforce planning and development **Lead Committee:** Planning & Resources **Strategic Pillar:** People	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	3	4	12
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	3	3	9
	Movement (since last review)		⇔

Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the EC Risk Management Policy & Procedure]

Edinburgh College

Title	**Management Accounts to October 2023**
Appendices	Appendix 1: Management Account to October 2023 – Executive Summary
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Ian Deed, Director of Finance & Infrastructure
Date of Production	30.11.23
Action Required	For Approval ☐ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☒ / No ☐ *(If 'yes' please complete Section 5.3)*

1.   **RECOMMENDATIONS**
        The Board of Management are asked to DISCUSS and NOTE the Management Accounts to October 2023.

2.   **PURPOSE OF REPORT**
        The Board of Management are asked to review the management accounts at each meeting, to assess the college's current financial position.

3.   **KEY INSIGHTS**
        Appendix 1 contains an Executive Summary of the Management Accounts to October 2023.

        A detailed version of the Management Accounts to October 2023 can be accessed via the Board Portal here, along with Summarised Financial Performance Summary (see here).
        .

4.   **IMPACT AND IMPLICATIONS**
        The Board is responsible for the financial sustainability of the College, and it is considered good practice to monitor all areas of performance that can impact on the College's viability.

5.   **ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER**

        5.1   **Alignment to Edinburgh College Strategic Pillars** *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	☐	Finance Strategy	☒	People Strategy	☐
Commercial Strategy	☐	Digital Strategy	☐	Other	☐

5.2   Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	☒	Equality, Diversity & Inclusion	☐
Student Satisfaction	☐	Adjusted Operating Position (AOP)	☒	Staff Costs	☒
Student Retention	☐	Non-SFC Income	☒	Staff Engagement	☐
Student Enrolments	☐	Gross Carbon Footprint	☐	Partner Engagement	☐

5.3   Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
(33) Financial Sustainability (Insufficient Budget / Funding To Cover Cost Of Living, Job Evaluation, Employer Pension Contribution Increases)	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	5	5	25
	Residual (Net) Risk		
Lead Committee: P&R Committee	*Probability*	*Impact*	*Score*
Pillar Strategy: Finance	5	5	25
	Movement		⟺

*Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the [EC Risk Management Policy & Procedure]]

EXECUTIVE SUMMARY

Credits and SFC Grants

1 Edinburgh College's core activity target for academic year 2023/24 totals **164,857 credits** (18,317 credits lower than 2022/23) which includes European Social Funding (ESF) places subsumed within core activity. Also included is an indicative target of 692 credits for foundation apprenticeships.

Although total credits have decreased by 10% from 2022-23 (from 183,174 credits to 164,857 credits), the core grant funding level remains the same overall, which has resulted in an increase in the average price of a credit (Edinburgh College still has the lowest credit price in the sector).

The "Credits by Department" table (below) shows a comparison of faculty performance for the year against full year (fy) targets.

Credits by Faculty
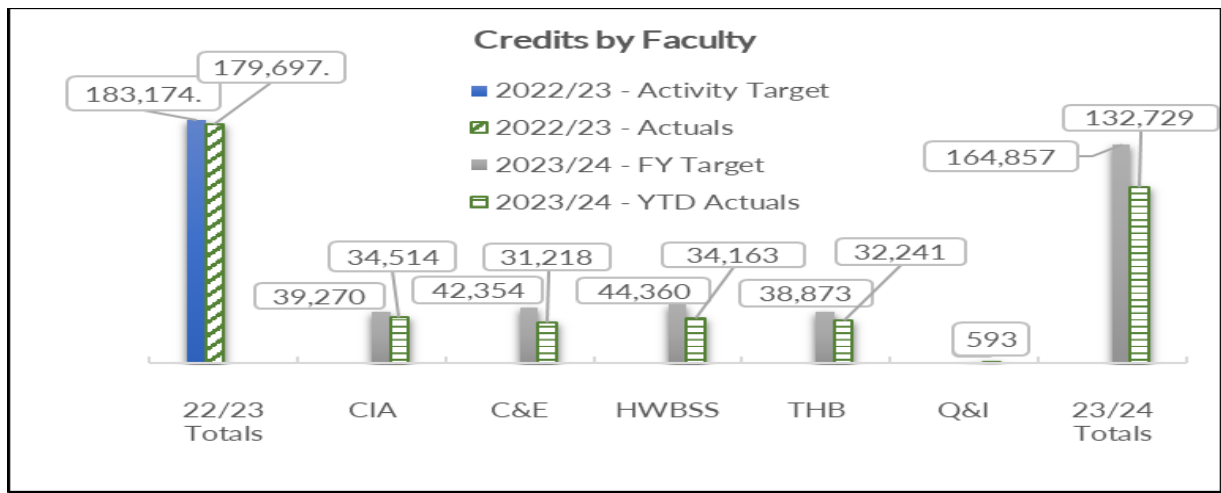
2 **Adjusted Operating Position (AOP)**

As per SFC Measurement	Annual Budget 2023/24	YTD Budget 2023/24	YTD Actuals 2023/24	YTD Variance 2023/24	Previous YTD 2022/23	Full Year Forecast 2023/24
	£000s	£000s	£000s	£000s	£000s	£000s
I&E Operating Position	(3,059)	(1,035)	(980)	55	(844)	(3,059)
Add:						
Depreciation net of deferred capital grant release	3,249	1,026	1,026	-	787	3,249
Deduct:						
Loan repayments and payments against provisions	894	224	224	-	210	894
Adjusted Operating Position	(704)	(232)	(177)	55	(266)	(704)

The College's AOP excludes non-cash items included in the I/E account (depreciation net of deferred grant) but includes capital loan repayments and payments against provisions (excluded from the I/E account).

3 Income and Expenditure

	Annual Budget 2023/24 £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Previous YTD £000s	Full Year Forecast £000s
Funding Council Grants	51,538	8,290	8,306	17	7,905	51,538
Tuition Fees, Commercial & Other Inc	15,354	6,441	6,404	(38)	7,435	15,132
Deferred Income	2,897	745	745	-	724	2,897
Total Income	**69,789**	**15,476**	**15,455**	**(21)**	**16,064**	**69,567**
Staff Costs	50,935	10,768	10,641	128	11,919	50,782
Other Costs	15,768	3,972	4,015	(44)	3,421	15,690
Depreciation	6,146	1,771	1,771	-	1,511	6,146
Exceptional Support Costs	-	-	8	(8)	57	8
Total Expenditure	**72,849**	**16,511**	**16,435**	**76**	**16,908**	**72,626**
Operating (Deficit) / Surplus pre SSAP24 & pension revaluation adjustments)	**(3,059)**	**(1,035)**	**(980)**	**55**	**(844)**	**(3,059)**

The College's annual budget operating position is a deficit of £3,059k, which results in an adjusted operating **deficit** budget of £704k for the year (refer para 1.2 for details). The operating position to October shows a deficit of £980k against a profiled budgeted deficit of £1,035k. The main variances are:

- A favourable variance of £17k within other SFC grants (sanitary products scheme and deferred Young Person Guarantee funding (both matching corresponding spends)).
- An adverse variance of £25k within tuition fees (net SAAS).
- An adverse variance of £24k within international income (Hainan University).
- A favourable variance within other income of £12k (net adverse Nursery income wholly offset by CDN secondment income and non-SFC grants (Digital Hub)).
- A favourable variance within staffing costs of £128k (net effect of unfilled vacancies/strike action).
- An adverse variance within operating expenditure of £35k (largely associated with the funding releases detailed above).
- An adverse variance of £8k within exceptional support staff costs.

Initial discussions with budget managers have highlighted that most income streams are currently in line with both profiled budgets to date and full year targets, whilst most non-staff expenditure is also broadly in line with budgets and targets. However, clear indications point to SAAS / HEFT self & employer financing student numbers being lower than planned and, as a result, the full year income projection for SAAS (original target: £2.9m) has been reduced by £0.1m (to £2.8m). A further review of tuition fees will be undertaken in November following the 12% student retention period cut-off point.

In addition, following a review of childcare applications, it was identified that there was a lower demand for childcare funds; these funds will likely be used for bursary and discretionary applications - which are not accounted for through the I/E account. As a consequence, the following adjustments have been made, this month, to the College's full year budget and forecast:

	£k - Fav / (Adv)
Childcare funds	(398)
Childcare costs	398
Total movements affecting budgeted & forecast AOP:	**0**

Movements in October 2023 affecting the full year operating forecast are as follows:

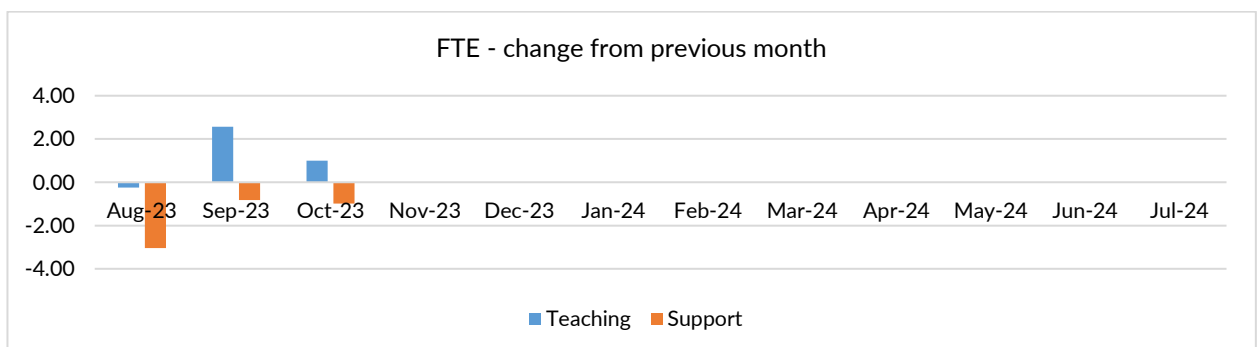|	£k - Fav / (Adv)
Tuition Fees (SAAS)	(100)
Nursery income	(53)
Staffing (vacancy churn)	153
Total movements during October affecting AOP:	**0**

In comparison to the full year budget (at operating and adjusted operating levels) there is an overall movement of £nil, the details of which are shown below:

	£k - Fav / (Adv)
Tuition Fees (SAAS)	(100)
International income (Hainan University – funding redirected)	(98)
International expenditure (agency commission and travel)	98
Nursery income	(53)
Other income (secondments)	8
Staffing (vacancy churn)	153
Exceptional support costs	(8)
Bank interest income	20
Debt interest payable	(20)
Total ytd movement affecting cash:	**0**

4   **Staff (Full Time Equivalent)**

FTE	31/07/23	31/10/23	YTD Movement	31/10/22
Teaching	406.9	410.2	3.3	457.8
Support	488.0	483.1	(4.9)	499.8
	894.9	893.3	(1.6)	957.6

Staff numbers have decreased by 1.6 FTE since the beginning of the academic year. The monthly FTE staff movements are shown below:

5   **Cash**

Opening cash 01/08/2023 £'m.	Month-end cash 31/10/2023 £'m.	Comments
5.7	6.0	The October cash balance is £6m which includes £1.98m of student support funds, together with c£2.5m being held for the backdated 1 September 2022 cost of living pay award (still under negotiation). In addition, there were SFC funds held at 31 July 2023 due to be spent in 2023/24 (including mental health funding, access to period products and City Deal monies, which total £0.7m). The current forecast for cash at 31 July 2024 is £0.6m.

6   Capital Expenditure

Opening Fixed Assets 01/08/23 £'m.	Additions 31/10/23 £'m.	Dep'n 31/10/23 £'m	Closing Fixed Assets 31/10/23 £'m.	Comments
179.6	1.3	(1.8)	179.1	Capital funding for 2023/24 is allocated as follows: **(1)** £0.8m to maintain the estate (I&E budget) **(2)** £2.8m for condition survey backlog / lifecycle maintenance and **(3)** £0.3m of digital poverty funding. To date £1.3m of 'work in progress' / capitalisations have incurred since the beginning of the academic year on building fabric, IT projects, curriculum projects and environmental initiatives. A further £0.8m of expenditure is committed.

Title	Governance Report
Appendices	Appendix 1: Annual Evaluation 2022/23 – Progress Update
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Marcus Walker, Board Secretary
Date of Production	29.11.23
Action Required	For Approval ☒ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☐ / No ☒ *(If 'yes' please complete Section 5.3)*

1.   **RECOMMENDATIONS**
      The Board is asked to NOTE the contents of the Governance Report and CONSIDER
      the following:
      - The key strategic risks highlighted in the **Top-Level Risk Register Summary**
        (Para 3.1 refers).
      - Progress updates on actions agreed as a part of the Board's **2022/23 Annual
        Appraisal process** (Para 3.4 refers).

      The Board are also asked to CONSIDER and APPROVE minor changes to *Edinburgh
      College Board of Management Standing Orders* in preparation for **two trade union
      nominees joining the Board** in early 2024 (Para 3.5.1 refers).

2.   **PURPOSE OF REPORT**
      The report provides an update on matters previously brought to the attention of the
      Board, and further governance developments within the College, and the college
      sector, over recent months.

3.   **KEY INSIGHTS**

      3.1   **Top-Level Risk Register Summary**
             For Board members' consideration a Top-Level Risk Register (TLRR) Summary
             can be viewed **here**. *[N.B. A verbal update on the TLRR Summary will be provided
             by the Chief Operating Officer on 12 December 2023]*

             For information, the detailed TLRR is available to Board members via the Board
             Portal.

      3.2   **Board Events / Activities**
             A list of upcoming internal and external events can be viewed via the Board
             Portal.

      3.3   **External Effectiveness Review and Development Plan**

             3.3.1   **Board Development Plan 2022/23**

             In line with the period covered by the 2022/23 Board Development Plan
             (ending on 31 July 2023), all actions within the Plan were marked 'complete'
             following the Board of Management on 26 September 2023 – except for the

following: '*Ref. 3.1. Induction and development activities to be aligned the new Strategic Plan and KPIs'*.

The Nominations Committee (via correspondence) reviewed the *Board Induction & Development Procedure*, which sits within its remit, and noted that no changes were proposed to the document. The Procedure (and all other Board Procedures) are expected to be considered again by the Nominations Committee in response to recommendations arising from the External Effectiveness Review and the Board EDI Working Group.

Next steps regarding the drafting of a new Development Plan are outlined under *Paragraph 3.3.2*, whilst short-term improvement actions arisings from the 2022/23 Annual Appraisal Process can be viewed under *Paragraph 3.4*.

3.3.2 External Effectiveness Review 2023

The Code of Good Governance for Scotland's College states that boards must conduct an externally facilitated evaluation of their effectiveness every 3-5 years and submit an evaluation report to the SFC and publish it online. Edinburgh College previously published its [2019 External Effectiveness Review](#) (EER) in March 2020, along with an accompanying Development Plan.

An invitation to tender was circulated to potential third-party providers to conduct the 2023 EER in July 2023, and [Advance HE](#) (- the same reviewer who led the 2019 EER) were subsequently appointed on 19 October 2023.

The EER fieldwork has now commenced and will adhere to the following timeline – as agreed with the Board of Management's EER Steering Group:

Date	Activity
w/c 23 Oct 2023	Fieldwork commenced
w/c 6 Nov 2023	Survey circulated to Board Members & Exec
w/c 13 Nov 2023	Committee meeting observations
w/c 4 Dec 2023	Interviews and focus groups
w/c 11 Dec 2023	Observe Board of Management meeting (12th)
w/c 26 Feb 2024	Steering Group to consider draft findings
w/c 25 Mar 2024	EER Report presented to the Board of Management (26th)
w/c 1 Apr 2024	EER Report / Development Plan to be submitted to SFC

For information, Jan Juillerat (Lead Review, Advance HE) shall attend the Board of Management on 12 December 2023 to observe the meeting.

3.4 Annual Evaluation 2022/23 – Progress Update
In line with the Code of Good Governance for Scotland's College, the Board of Management undertook a series of self-evaluation exercises in May/June 2023. Feedback from these evaluations was reported to the Board of Management on 13 June 2023, along with several actions that were subsequently endorsed by Board members.

An update on progress against these actions is attached as Appendix 1.

3.5   National Governance Update

3.5.1   Trade Unions Nominees to College Boards

In 2019, the Scottish Government committed to introducing two trade union nominees to the boards of management of college institutions.

The Scottish Government laid a Draft Order to the Scottish Parliament on 22 November 2023 to allow for amendments to be made to the 1992 Act and the 2005 Act, a process which requires a minimum of 54 days.

Following a delay in the presentation of the amendments to the Scottish Parliament, the timeline outlined to the Board of Management in September 2023 has been revised. Recognised trade unions will now formally be invited to prepare for a election process in December 2023, with a view to two trade union being elected to the Board of Management on 31 January 2024. New board members will then be provided with a formal induction and invited to attend the scheduled Board meeting on 26 March 2024.

In preparation for the implementation of this governance reform, the Board of Management are asked to consider minor changes to the Edinburgh College Board of Management Standing Orders at its meeting on 12 December 2023. The proposed changes to the Standing Orders can be viewed **here**, under *Paragraphs 3.2 & 3.3* (see highlighted text).

If approved, the updated document will be adopted by the Board of Management once amendment to both the 1992 Act and the 2005 Act have been ratified. For reference, on appointment, new board members will be required to sign-up to the Terms & Conditions for Edinburgh College Board Members

3.5.2   College Sector Board Appointments: Ministerial Guidance

Since the last meeting of the Board of management there has been no further updates on work to refresh the College Sector Board Appointments Ministerial Guidance. The Scottish Government intends to publish a 6–8-week consultation on the refreshed guidance (as reviewed by the college sector's Good Governance Steering Group), however, no timeframe has been confirmed.

3.5.3   SFC Review of Coherent Provision & Sustainability

Feedback received as part of the SFC Review of Coherent Provision & Sustainability recognised the value Outcome Agreements (OAs) have brought since they were introduced in 2011/12, but also highlighted the following issues with the process:

- OAs focus narrowly on Scottish-domiciled student activity, therefore do not cover the full breath of SFC remit and funding.
- There are too many measures which focus on outputs, rather than outcomes and impact.
- Drafting OA documents has become a labour-intensive process for institutions.

The SFC Review recognised that institutions need to properly account for the funding they receive, and to evidence that they are meeting overall policy direction, as well as statutory duties. However, it was suggested that this might be achieved as part of a streamlined process which would ideally allow institutions to better demonstrate their full impact and achievements.

In furtherance of this, the SFC aims to replace the OA process by AY 2024/25, and in doing so, meet its commitment to make AY 2023/24 the final transitional year of the existing process.

Governance arrangements within the new assurance model are currently being consulted on by the SFC, with the Assistant Director (Assurance) currently meeting with a range of college stakeholders. Further updates on development is this area will be reported to the Board of Management in due course.

4. IMPACT AND IMPLICATIONS

Effective governance arrangements and appropriate forward planning will mitigate the risk of governance failure.

5. ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1 Alignment to Edinburgh College Strategic Pillars [Indicate with an 'X' which Strategic Pillar this paper supports]:

Curriculum Strategy	⊠	Finance Strategy	☐	People Strategy	☐
Commercial Strategy	☐	Digital Strategy	☐	Other	⊠

5.2 Relevant Key Performance Indictors [Indicate with an 'X' which performance indicators this paper supports]:

Student Success	☐	Credit Target	☐	Equality, Diversity & Inclusion	⊠
Student Satisfaction	☐	Adjusted Operating Position (AOP)	☐	Staff Costs	☐
Student Retention	☐	Non-SFC Income	☐	Staff Engagement	⊠
Student Enrolments	☐	Gross Carbon Footprint	☐	Partner Engagement	⊠

5.3 Alignment to the Top-Level Risk Register [Strategic risk information should be copied directly from the most recent TLRR]:

Strategic Risk(s)	Risk Score*		
Not applicable.	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Movement		-

Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the EC Risk Management Policy & Procedure]

2022/23 ANNUAL APPRAISAL – PROGRESS UPDATE (DECEMBER 2023)

Ref.	Observation	Action(s)	Progress Update
1.	**Strategic Plan** The Strategic Plan lost some of its dynamic effect as it was overshadowed by the voluntary severance consultation. Both the Executive and the Board must reflect on learnings around the communication of the College vision and the consultation itself.	The Executive Teams should reflect on the Strategic Plan and bring forward a roadmap to the next meeting of the Board of Management outlining their vision for the clear articulation and communication of the strategic plan (- in both the short and long term).	**Complete.** Roadmap to be presented to Board of Management on 26 September 2023, along with Pillar Strategies and Communications Plan.
2.	**Our People** Our People Strategy currently sits across different committees of the Board. Discussions with some Board members showed support for a dedicated HR/People Committee/Workforce Summit to (as a more focused group) reignite a people plan, and scope out new terms of reference based around culture and morale.	The Board should consider the development of a blueprint for a 'people-focused' group bringing together individuals from across the College as part of a 'Right Size, Right Shape' workshop.	**In-Progress.** Currently being considered as part of the wider People & Culture work taking place at the College with the support of Hive HR.
3.	**SFC & SQA Engagement** Discussions raised questions around whether the activities and focus of the SQA and the SFC relate to the right outcomes (e.g., redundant modules).	The Chair, the Principal, and other Board members to increase engagement with SFC and SQA around course assessed content and parity funding.	**In-Progress.** The Chair to write to SFC (see P&R Minutes). Further consideration to be given to wider board engagement through the Engagement Plan. CDN have confirmed upcoming dates for 'Meet the Stakeholder' Events (see Appendix 2).
4.	**Board/Committee Papers** There is a recognition across the Board that the papers are too long and unwieldy which sometimes means content is buried and Board members are unsure what they are being asked to give guidance/approval on.	The Executive Team and Board Secretary should work directly with a member of the Board to review the Board/committee paper template and accompanying guidance on its completion by senior managers.	**Complete.** The Board Sec., the Executive and Non-Executive Member (Bill Troup) reviewed the paper template and guidance to report writers. Updated paper template now in operation. Will be reviewed again as part of the 2023 External Effectiveness Review.
5.	**Board Mentorship** Members suggested that the Chair and the Board Secretary should consider a more formalised approach to mentorship arrangements for board members. This would provide a new, and in-	The Chair and the Board Secretary shall review mentorship arrangements (in line with the Board's Mentorship Procedure) and create appropriate	**In-Progress / Partially Complete.** Members contacted in August 2023 regarding mentorship arrangements. New mentor/mentee arrangements agreed for Board members.

	experienced, board members with an opportunity to discuss and question Board and committee papers in a 'safe space'.	links between new/in-experienced and longer serving Board members	Nominations Committee to consider Board Membership Procedure at its next meeting.
6.	**Non-Executive Briefings** To ensure that Non-Executive Members were fully briefed on key matters of College business, it was proposed that non-executive briefings are scheduled**.**	The Chair and the Board Secretary shall schedule non-executive briefing session – as required – in advance of Board meetings.	**Complete.** Briefing sessions to be organised as required for non-executive members in advance of quarterly Board meetings.
7.	**Board / Committee Meetings** More time should be given over to discussion rather than 'process' items to make best use of Board members expertise and time.	The Board Secretary shall divide the agenda into 'For Discussion'; 'For Approval' and 'For Information' sections. Additionally, the Board should consider further use of the Microsoft Teams chat function, polls, and whiteboards - as part of Board discussions.	**In-Progress / Partially Complete.** Board agenda for 26 September 2023 split into For Approval / Discussion / Information / Circulation. Further incorporation of MS Teams functions into meetings to be considered.
8.	**Getting to Know the College** The Board would welcome more presentations from faculties/departments across the College. The Board should also consider how its members could be more accessible and visible without being intrusive.	The Board should consider the following approaches to increase their visibility: • The potential for in-person town halls meetings. • The rotation of campus visits, which include presentations from departments. • Holding pre-board lunches in communal areas and/or coffee mornings on site with staff/student.	**In Progress.** Programme of visits/ on-campus events to be published in due course.
9.	**Student Experience** Board members would like to learn more about the delivery of Digital learning at the College and understand how we gather feedback on the student experience in this area.	The Executive and the Board Secretary should consider 'digital learning and engagement', including staff development in this area, as the topic for a future pre-Board / development session.	**In-Progress.** Refresh Digital Strategy to be considered by the Board of Management on 26 September 2023. Follow-up Digital learning and engagement events under consideration.
10.	**Board Development Activities** Board members would welcome further development and training activities.	The Board Secretary shall circulate the College Development Network (CDN) training / development schedule for 2023/24 in July/August 2023. Once the CDN schedule is finalised, a schedule of complimentary training / development activities - led by the College – will be circulated to Board members.	**In-Progress / Partially Complete.** Details of the 2023/24 CDN Training Programme circulated to Board members and included in Appendix 2 of the Governance Report. Complementary internal College development events under consideration.

Title	Health & Safety: Q1 RIDDOR Report
Appendices	None
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Andy Bamberry, Health and Safety Manager
Date of Production	23 November 2023
Action Required	For Approval ☐ / For Discussion ☐ / For Information ☒
Aligned to Strategic Risk	Yes ☒ / No ☐ *(If 'yes' please complete Section 5.3)*

1. **RECOMMENDATIONS**

   The Board of Management are asked to note the information provided in this RIDDOR Report for Q1 (01 August 2023 to 31 October 2023).

2. **PURPOSE OF REPORT**

   This report provides a summary of RIDDOR (The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013) reportable accidents and incidents within Edinburgh College for the reporting period described.

3. **KEY INSIGHTS**

   Over the reporting period there were **0** RIDDOR reportable incidents.

4. **IMPACT AND IMPLICATIONS**

   To reduce the possibility of injury or ill health to a level as low as is reasonably practicable, in order to maintain Edinburgh College's operations at an effective level.

   If health and safety is not controlled adequately there is potential of criminal charges and civil claims to the College, both of which could incur financial penalties and reputational damage.

5. **ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER**

   5.1 **Alignment to Edinburgh College Strategic Pillars** *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	☐	Finance Strategy	☐	People Strategy	☒
Commercial Strategy	☐	Digital Strategy	☐	Other	☐

5.2   Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	☐	Equality, Diversity & Inclusion	☐
Student Satisfaction	☐	Adjusted Operating Position (AOP)	☐	Staff Costs	☐
Student Retention	☐	Non-SFC Income	☐	Staff Engagement	☒
Student Enrolments	☐	Gross Carbon Footprint	☐	Partner Engagement	☐

5.3   Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
(15) Health & Safety Non-Compliance	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
Lead Committee: Policy and Resources	4	4	16
	Residual (Net) Risk		
Strategic Pillar: People	*Probability*	*Impact*	*Score*
	3	4	12
	Movement:		⇧

*Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the [EC Risk Management Policy & Procedure]]