



For the future you want

BOARD OF MANAGEMENT

AGENDA

A meeting of the Board of Management will be held at 14:00 hours on Tuesday, 18 June 2019 in the Boardroom, Granton Campus.

		Lead Speaker	Paper
1	WELCOME & APOLOGIES	Chair	
2	DECLARATIONS OF INTEREST	Chair	
3	MINUTES OF PREVIOUS MEETING <i>for approval</i>	Chair	A
4	MATTERS ARISING	Chair	B
5	BOARD DEVELOPMENT DAY REPORT	A Landels	C attached
6	STRATEGIC DISCUSSION: EQUALITY OUTCOME AND MAINSTREAMING PROGRESS REPORT <i>for approval</i>	J Buglass	D
7	EDINBURGH COLLEGE STUDENTS' ASSOCIATION REPORT		
	7.1 ECSA End of Year 2018/19 Report	S Hay	E attached
	7.2 ECSA Strategic Planning & Funding 2019/20 Report	A Wilson	F
<i>Item 7.2 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication.</i>			
8	COMMITTEE BUSINESS		
	8.1 <u>Policy & Resources Committee</u>		
	Minutes 21.05.19	A Landels	G
	Recruitment & Retention Dashboard	J Pearson	H attached
	Management Accounts to April 2019	A Williamson	I attached
	College Budget 2019/20 <i>for approval</i>	A Williamson	J

The College Budget 2019/20 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication.

8.2	<u>Audit & Risk Assurance Committee</u> Minutes 29.05.19 Summary Top Risk Register	J Sischy N Croft	K L
-----	--	---------------------	----------------------

The Summary Top Risk Register is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.

8.3	<u>Academic Council</u> Minutes 24.05.19	F Riddoch	M
8.4	<u>External Engagement Committee</u> Minutes 29.05.19	L Drummond	N
8.5	<u>Nominations Committee</u> Minutes 19.03.19 Minutes 04.06.19	Chair Chair	O P
8.6	<u>Remuneration Committee</u> Minutes 11.06.19	N McKenzie	Q
9	PRINCIPAL & CHIEF EXECUTIVE REPORT	A Cumberland	R attached
10	GOVERNANCE REPORT		
	10.1 Governance Update	N Croft	S attached
	10.2 Evaluation of Chair 2018/19	A Landels	T attached
11	NATIONAL REPORT	Chair	Verbal
12	RIDDOR REPORT	A Williamson	U
13	ANY OTHER COMPETENT BUSINESS		
14	DATE OF NEXT MEETING: 24 September 2019		
14.1	<u>Upcoming Committee Dates</u> Policy & Resources Committee 20.08.19 External Engagement Committee 27.09.19 Academic Council 13.09.19 Audit & Risk Assurance Committee 09.10.19		



FOR INFORMATION / DISCUSSION			
Meeting	Board of Management 18.06.19		
Presented by	Ann Landels		
Author/Contact	Marcus Walker	Department / Unit	Governance
Date Created	03.06.19	Telephone	0131 344 7048
Appendices Attached			
Disclosable under FOISA	Yes.		

BOARD DEVELOPMENT DAY REPORT

1. PURPOSE

This report provides an overview of matters raised at the Board Development Day on 30 April 2019, and outlines potential areas for further consideration/action.

2. BACKGROUND

The Edinburgh College Board of Management held its second development day of 2018/19 on Tuesday 30 April at Forth Sector, Duddingston. The event was attended by 16 members of the Board (including all four Student and staff Board Members), the Executive Team and the Clerk to the Board.

The purpose of the day was to explore the opportunity for digital change within the education sector to ensure that Edinburgh College is ready to define its response. A key ambition is to be a high performing College. The session was led by Craig Paterson, a strategy advisor and coach with specialisms in business, data and digital strategy and execution.

3. KEY POINTS OF DISCUSSION

3.1 Digital Leadership Primer Session

The Board considered the key external stimuli driving digital change and its potential impact on both the learner journey and employability going forward (see Fig. 1)

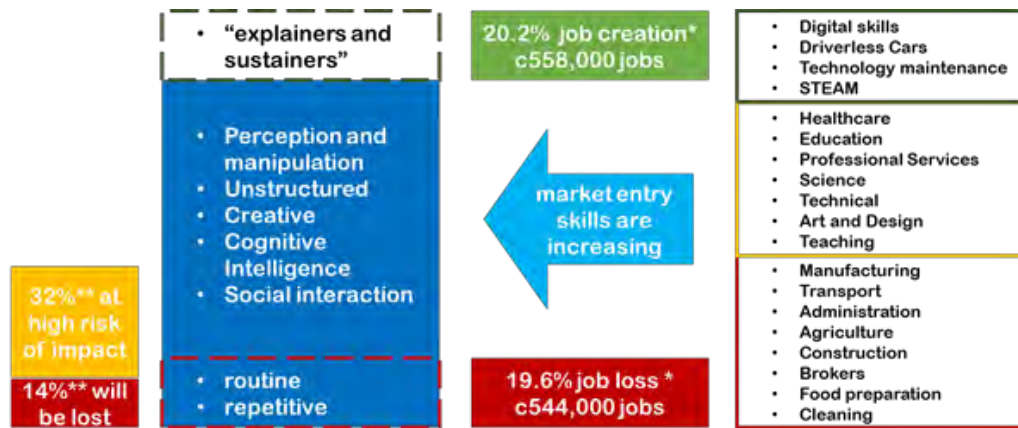


Fig. 1: Context: AI Sector Effect.

With regards to a developing a digital strategy, the Board considered what ‘digitisation’ included, and the strategic ambitions for the College going forward (see Fig.2).

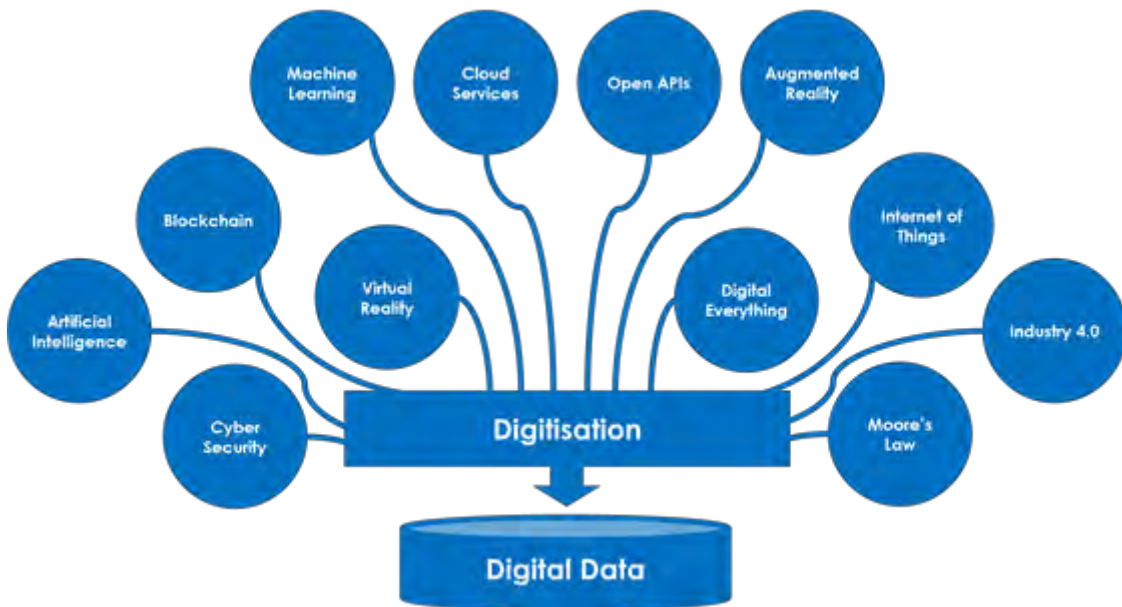


Fig. 2: What is Digitisation?

3.2 Call to Action Session

The Board considered the challenges faced by Edinburgh College in its quest to become a high performing digital college.

Firstly, this involved the development of customer empathy maps, which aimed to provide Board members with a deeper level of understanding of the customers’ experience to the following two propositions:

- In one year - improving retention by a minimum of 4% (from the 2017/18 benchmark) using data to produce better student interventions;
- In one year - increasing staff use of Moodle (the College’s virtual learning environment) from 72% to 90% (from the 2017/18 benchmark), to provide students with a richer learning experience – and improved completed success rates.

The Board focussed on the first proposition from the student and funder (SFC) perspective, and the second proposition from both a student and staff perspective.

Secondly, the Board conducted a brainstorming activity which required members to consider the potential challenges and solutions to creating a high performing digital college. Key concerns related to the limited capital funding available to colleges, and the prioritisation of funding by the SFC towards other essential areas - such as general buildings maintenance. The Board also considered the risks associated with the insufficient funding of digital innovation by the College, and how this could have significantly impact on College operation and the learning experience provided.

The Board agreed that it would welcome the development of an ambitious digital strategy, but noted that the College's strategic aims must be achievable within the existing financial landscape.

Board feedback from the 'call to action' discussion was fed back to Jon Buglass, the Vice Principal Innovation, Planning and Performance, who will lead on the development of the Edinburgh College Digital Strategy.

4. PROPOSED ACTIONS

From key points of discussion outline in Section 3 at the Board Development the following proposed actions were noted:

Action 1: *The Board agreed that a draft Edinburgh College Digital Strategy should be brought forward to the December Board meeting of 2019/20 for consideration.*

Action 2: *The Board agreed that, on its behalf, the Chair and the Principal should continue to raise concerns regarding the lack of funding for investment in Digital to the Scottish Government and the SFC.*

5. STRATEGIC IMPLICATIONS

In November 2018, the Edinburgh College Strategic Blueprint was reshaped around three ambitions: (i) A college with a curriculum for the future; (ii) a high performing digital college; and, (iii) a resilient, agile college with reach and potential to grow. The scope of the Board Development Day on 30 April explicitly links to the Board's strategic ambition for Edinburgh College to become a high performing digital college.

6. RISK

Failure to appropriately fund a digital strategy could negatively impact on its implementation, and subsequently have implications for the learner experience in an increasingly digitised education landscape.

7. FINANCIAL IMPLICATIONS

Not applicable.

8. LEGAL IMPLICATIONS

Not applicable

9. WORKFORCE IMPLICATIONS

Not applicable.

10. REPUTATIONAL IMPLICATIONS

Not applicable.

11. EQUALITIES IMPLICATIONS
Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Board are asked to NOTE the key points of discussion raised in this report, and CONSIDER if any further action is required.



For the future you want

FOR INFORMATION / DISCUSSION			
Meeting	Board of Management 18.06.19		
Presented by	Sarah Hay		
Author/Contact	ECSA	Department / Unit	ECSA
Date Created	10.06.19	Telephone	-
Appendices Attached	<i>Appendix 1: ECSA End of Year Report 2018/19</i> <i>Appendix 2: Priority Objectives 2018/19 - Progress Report</i>		
Disclosable under FOISA	Yes.		

EDINBURGH COLLEGE STUDENTS' ASSOCIATION - END OF YEAR REPORT 2018/19

1. PURPOSE

To provide the Board of Management with an overview of activities conducted by ECSA in 2018/19, including an update on the Student Association's progress against measures outlined in its Operational Plan.

2. BACKGROUND

Every academic year ECSA are asked to produce a report for the Board outlining its achievements and progress against its Operational Plan.

3. DETAIL

See *Appendix 1* attached.

4. BENEFITS AND OPPORTUNITIES

The report provides a comprehensive overview of the work of ECSA in 2018/19, and highlights key benefits and opportunities going forward.

5. STRATEGIC IMPLICATIONS

The Board retains an overview of Students' Association activity in the interests of good governance.

6. RISK

Not applicable.

7. FINANCIAL IMPLICATIONS

The Board approved the 2018/19 ECSA funding bid in June 2018. The Students' Associations funding for the academic year was subsequently finalised in the College Budget 2018/19.

8. LEGAL IMPLICATIONS

Not applicable.

9. WORKFORCE IMPLICATIONS

Not applicable.

10. REPUTATIONAL IMPLICATIONS

Not applicable.

11. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Board are asked to NOTE the information provided in the ECSA End of Year Report.



Edinburgh College

Students' Association



ANNUAL REPORT 2018 - 2019

Powered by students | Driven by values | Committed to better

Foreword

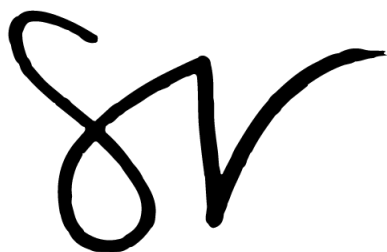
It has been another incredible year for ECSA and as I am coming to the end of my term as President I am proud to present our End of Year report.

We started the year by committing to an ambitious 13 priority objectives and I could not be prouder of all the amazing work we have achieved this year. That includes everything within ECSA and the College but also in the wider student movement, especially through our work with agencies such as the Poverty Commission, City Vision 2050 and the Climate Challenge Fund who funded our Go Green project.

I was incredibly pleased to see ECSA receive the NUS Scotland Diversity Award for our work with student parents and carers in order to ensure our campuses truly are Family Friendly. The Student Parent Working Group has come a long way but there is still far to go, however, I have every faith Edinburgh College and ECSA in partnership will achieve all they have set out to do and more.

At ECSA, we have continued to promote the student voice at all levels of Edinburgh College and in all areas of the student experience. Our evidence-based approach to gathering feedback from students is continuing to be successful through our well-established Class Rep system. Students value their voice being heard and it is clear they appreciate us closing the feedback loop with responses and feedback from the Senior Management Team.

Underpinning all of our successes this year has been working in partnership, whether that has been with students, college departments or external agencies. Therefore, I would like to take this opportunity to thank the Board for all the support and guidance I have received this year but also the support you've given ECSA. We could not have achieved all our work without the continuing support from the Board and I am confident our ECSA-llent partnership will only grow stronger.



Sarah Hay - President 2018/19



Supporting student mental health and wellbeing



- Student Mental Health Agreement aims for 18/19 met
- Continued ECSA drop ins and early interventions for vulnerable students in Milton Rd Halls

We finalised the joint College and ECSA Student Mental Health Agreement (SMHA) in semester 1. This is an initiative led by Think Positive on behalf of NUS Scotland to bring students' associations and their institutions together in a formal agreement to work jointly on mental health issues on campus. This agreement builds on work already completed and aims & objectives that already exist but needs further development. The SMHA end of year report and evaluation has been submitted with evidence and details of us meeting all objectives set out for this session.

We have continued our partnership with Nightline - a listening, emotional

support and information service, run by students for students. In conjunction with Nightline we handed out 600 stress-busting welfare packs to students across our 4 campuses.

Throughout the year as part of the SMHA, we have hosted a number of initiatives and activities related to student mental health. For example, 'Tea and Talk' events at Sighthill and Granton where students get a hot drink and cake/fruit and the opportunity for a chat. This is part of a wider activity of engaging students in talking about their mental health, supporting each other and understanding 'It's not just you'.

A major objective of the SMHA was to get a 'Wellbeing Hub' online to ensure there's round the clock advice and support available for students. The 'Wellbeing Hub' is now live on our website and it includes information about self-help provided by our students such as ideas for relaxation, physical activity and pages and apps that might be helpful.

The local partnership with Hope Church Musselburgh has also successfully continued this year. This works in conjunction with our monthly ECSA drop-ins in halls on the last Saturday of each month. The church provides a free hot meal which is sometimes the only hot meal they have that week. The drop-ins and meals are a vital point for us to identify vulnerable students in need of intervention. Additionally, we also handed out 100 food packs at Christmas for students staying in halls to help them over the Christmas period.

Supporting ECSA-Ilent Learning & Teaching



- Continuing evidence-based representation and feedback
- ECSA-Ilent Class Rep conferences

Building on and continuing the recognised and excellent course representation structures at Edinburgh College, we have this year elected 501 Class Representatives across 259 courses. 172 Class Reps attended a training session run by Student Engagement Assistants, ECSA staff and officers. Because the training offers important information on how to get the most out of their time as reps and valuable skills to influence and feed back on learning and teaching, the training was also made available online via Moodle where the remainder of Class Reps received their training.

This year's rounds of Class Rep conferences have followed a similar format to last year with 4 conferences across 4 campuses themed around the different stages of the student lifecycle. This meant that from our first conference all the way through the 4 conferences we were able to gather good quality data that has allowed us to make evidence-based

representations on behalf of students.

The 4 conferences covered the following topics:

- Induction & Retention
- Feedback & Self-evaluation
- Belonging & Inclusion
- Success & Progression

Each conference provides Class Reps with ECSA news and information relating to their learning and teaching experience as well a focussed workshop where students discuss with their peers as well as in the bigger cohort. This feedback and information is brought together in a themed report analysing any areas for concerns and where we need to improve. The reports are sent directly to curriculum managers, heads of faculty and SMT for consideration and comments. We always ensure to close the feedback loop with Class Reps so they also get an opportunity to comment on the outcomes of the reports. At the end of each academic year we pull together and Learning & Teaching report to highlight good practice and areas we will be working on with the college for the coming session.



We continued the well-loved tradition of the ECSA-Illence Awards this year with students across Edinburgh College nominating their lecturers, LDTs, learning resources staff and class reps across 5 categories. We received 689 nominations for staff and students across the institution. A student-led panel had the pleasure of reading through all the wonderful words and the hard job of shortlisting and choosing winners. Unfortunately due to ongoing strike action it was not feasible to host our usual awards event, however we decided to do things slightly differently. We followed Sarah, President, around the campuses presenting the winners with their awards and certificates which resulted in a brilliant video which can be found on our website.



We win awards!



Awards:

- NUS Scotland Campaign of the Year Award
- NUS Scotland Diversity Award runners-up

It has been another award-winning year for ECSA. We were shortlisted and won the NUS Scotland Campaign of the Year Award with the 'Do you want to see the Counsellor?' campaign as well as our work to improve experience of student parents and carers being the runner up. Yet again the competition from other Scottish College and Universities was tough but our student led and impactful work came out on top.

The award for campaign of the year was awarded for a campaign which led to the introduction of a college wellbeing team based on feedback and suggestions from students and class reps. Both the winning campaign as well as the runner up were truly student-led and showcase exactly what positive engagement can lead to.

More activities for everyone



- Gaming Society and LGBT Society successes
- Weekly Yoga at Sighthill and Granton

Beginning at Welcome Weeks back in August, we gathered data on what type of activities and societies students would like to engage with. This influenced the planning of activities and resulted in accessible and engaging activities that a wide variety of students have engaged with. Yoga has been really successful and popular with students. We have had consistent attendance across weekly Yoga sessions at Sighthill and Granton throughout the year.

The LGBT society has had a couple of socials and are currently preparing to take part in Edinburgh Pride in June. Their activities are mostly online as that is how most of the students have been comfortable about getting involved. Students took part and signed the LGBT Purple Friday pledges as well as supported Vice President

Activities run a Clothing Swap in aid of LGBT Youth Scotland in May.

We have not had as many societies running consistently throughout the year as we had hoped but the ones that have been happening have been really successful and impactful. Especially the feedback from the newly established Gaming Society has been particularly positive.

The Gaming Society meet once a week, mostly at Granton depending on the location of those available, where they play group games on the Nintendo Switch such as Mario Kart and Smash Bros. The society hosted a gaming tournament in the Granton Hub where 20 people took part. The group is self-sufficient and is mainly being run by students themselves. They have a very active group chat and they don't just talk about gaming, they support each other with their anxieties or concerns. The students are very complimentary about their time in the Gaming Society:

"The society isn't picky about who you are - doesn't matter if you are male, female, old, young because everyone is always there to have a bit of fun even if you can't game!"

"The best thing I found with the Gaming Society was when I looked at my fellow students and I could see that all the stress of being a student was put on pause"

Healthy Body, Healthy Mind Award



- Aiming for the 4 star award

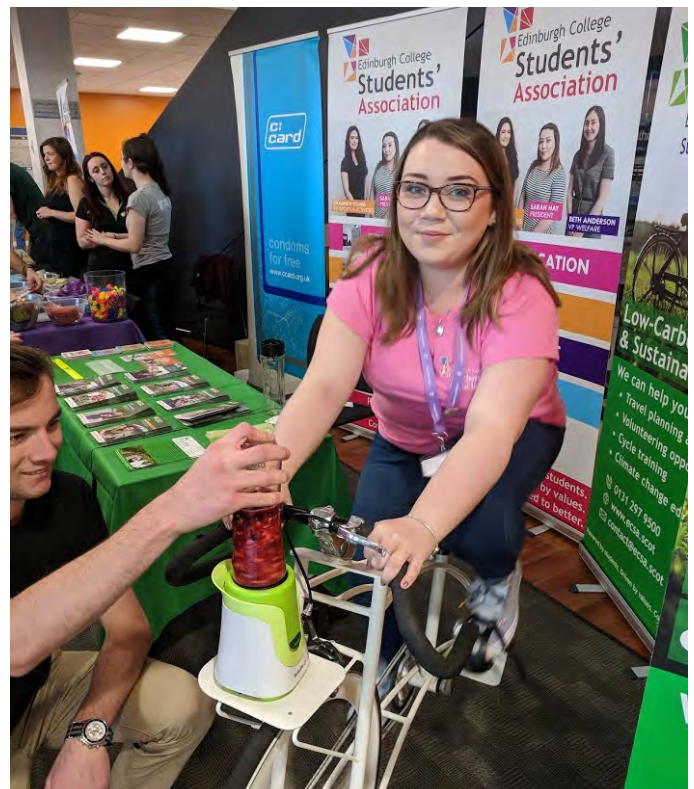
We have continued the success of being involved with the Healthy Body, Healthy Mind project again this year. The project is run by NUS Scotland in conjunction with Scottish Student Sport and ASH Scotland. We are progressing the work we completed last year and are aiming for 4 stars by building on from the foundations created when we were awarded 2 Stars in 2018.



HBHM has been an excellent driver of

working across areas and departments within the College to promote and raise awareness of a healthier lifestyle. A number of activities have been run as part of Healthy Body, Healthy Mind including stalls to celebrate Purple Friday, Time to Talk events and our smoking cessation campaign - "Save your Lungs, Save your Funds".

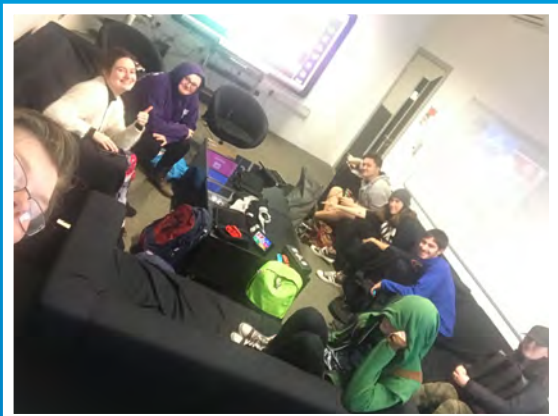
Additionally, as part of HBHM,



the Vice-President Welfare has been hosting peer support groups throughout the year in the format of a 'Crafternoon Club'. They have been weekly and on all four campuses. These sessions have included colouring in books and other crafts to create a basis for stress relief but also a way of chatting that doesn't place any pressure on the students. These Crafternoon Club sessions have been particularly popular with ACE students.



Our year in photos



Record breaking Annual Election



- 17 candidates for 3 positions
- 27.5% increase in voter turnout from last year

This year we saw our 7th Annual Full-Time Officer Elections and it has been another successful year engaging students both to stand as candidates and to vote. In fact, this year, we reached our highest ever number of candidates, with 17 students putting themselves forward for 3 positions. It was fantastic to see so many enthusiastic students willing to put themselves forward and do something positive for the benefit of students, the Association and the College.

As in previous years we have been involved in a Scotland-wide project called the 'Big Student Elections', which is also in its 7th year and includes Students' Associations from across Scotland working together to run annual elections in the same week. The polling period lasted 4 days and involved polling stations

being made available in high-footfall areas on all campuses throughout that period. On Friday the 8th of March, ECSA joined colleagues from Edinburgh Napier Students' Association, Heriot Watt Students' Association, Queen Margaret Students' Union and the National Union of Students Scotland to celebrate a successful week and announce the winners from the participating Associations in Edinburgh.

All of our polling takes place online on the Association website, so students can vote from the comfort of their sofa, on the bus, or come and speak with us at one of the polling stations on campus. The vast majority of our voters prefer to vote on campus, so it proved particularly challenging to engage students, given that all classes were cancelled on 1 of the 4 days due to ongoing national industrial action. However, despite this, we have managed to increase our voter turnout by almost 200 voters year-on-year.



Community Impact



- **Edinburgh 2050 City Vision Project involvement**
- **Influencing student policy and decisions at a national level**

ECSA has been involved in initiatives across Edinburgh through established and new partnerships. We have ensured the student voice has been well and truly heard throughout the 2050 City Vision project - a project that includes stakeholders from Edinburgh and beyond to establish a city-wide vision and future. We obviously believe students are a vital part of the future of Edinburgh which has come across strongly through the Lord Provost visits in March.

Following the involvement of ECSA in the 'Tackling Poverty and Inequality' conference earlier in the year the President was invited to contribute directly to the Poverty Commission along with other stakeholders. The discussion centred around the link between poverty and low attainment of FE and HE students. Additionally,

the group discussed the barriers students in poverty face. ECSA President brought her lived personal experience of navigating through education while being a single parent on a low income to highlight the constant struggle and barriers faced by many in the current funding structures.

The current Vice President Activities and incoming Vice President Welfare will be new members on the National Union of Students Scotland Executive Committee following their election at their national conference in March. They are both looking forward to ensure college students are at the table and included when it comes to student funding reviews and campaigns for improving students lives. As part of ECSA's involvement with NUS Scotland, ECSA President attended a President's round table with Richard Lochhead MSP (Minister for Further Education, Higher Education and Science) at Scottish Parliament, discussing the barriers students face in Further Education.



Family Friendly College

STUDENT PARENTS & CARERS



- 'New & Expectant Student Parents Policy'
- Student Parent and Carers Working Group set up

We are proud of the progress throughout this session to move towards a more family friendly college. This process had been sparked through an ECSA facilitated online space for Student Parents & Carers. Through feedback and ideas from students online and through conversations with student parents in welcome week, the ECSA President quickly made student parents & carers an official priority for the first time at ECSA.

Using the NUS Scotland report, 'Bairn Necessities', ECSA investigated current Edinburgh College policies and practices, showing that we were currently only meeting 1 of the 8 areas, namely having an on-campus nursery at Granton Campus.

There has a great deal of positivity from staff across the College to implement changes for student parents and this is reflected in the members of the Student Parent Working Group set up to improve the experience of student parents.

Members of the group includes the Head of Corporate Development, Nursery Manager, Student Funding, Student Experience Manager, Facilities Manager, Curriculum staff, and the ECSA Director and President.

As an outcome of the working group a 'New & Expectant Student Parents Policy' has been drafted and approved alongside student guidance for College Policies in general to improve understanding and accessibility. This is incredibly important for current and prospective students taking ownership of their experience and knowing what support and rights they have at College when they are new or expecting parents.

In addition to the new policy and guidance a number of other initiatives will be in place for the new intake of students as a result of the cross College working group. There will be high chairs available in all catering outlets as well as parent rooms on each campus. They will be equipped with bottle warming facilities as well as chest feeding, changing and resting facilities.

"I am extremely happy with the new family friendly policies for students that are being introduced! This will make the lives of student parents and carers so much easier, and have their rights as both parents and students protected."

Paid jobs for students

- Student destination interviewers
- Student engagement assistants

We supported the Quality team with the recruitment of Student Destination Interviewers who successfully managed to track down destinations of 85% of leavers.

Additionally, we successfully recruited 3 Student Engagement Assistants again for 2018-19. We offer these roles for students to get experience that can be flexible and tailored around the timetables of the students. The Student Engagement Assistants have helped with class rep training, events, ECSA stalls and general admin and data input. The SEAs have also been supporting each of the Officers with an area of their priority objectives to ensure they are truly student-led. The areas of work for SEAs have been around reducing food waste on campuses, the wellbeing hub, and support for evening students.

The Evening Student booklet provides information for students who only attend Edinburgh College after main facilities have closed; such as student support, funding support and catering. The booklet includes information on who to contact in specific situations, what benefits they can access as students, and how to engage with ECSA. The format of the booklet is currently being finalised so it is ready to be distributed to students starting 2019/20.

Free sanitary products



This year saw the rollout of free sanitary products in college as part of the Scottish Government's £4m commitment to tackling period poverty. Young Scot's research showed that one in four respondents struggled to access sanitary products.

Working with the estates, student experience, marketing, and communications teams, we have ensured students can access a range of sanitary products including eco-friendly options.

There has been a positive takeup of the scheme, with 45,000 tampons and 40,000 pads distributed across the campuses from a range of locations, including key toilets, ECSA offices, and student services as well as some open-access locations.

Going Green



- First year saw 393 students engaged and 107.9 tonnes CO2 equivalent saved
- Further £6,810 funding secured from Paths for All for a Liftshare site for the College

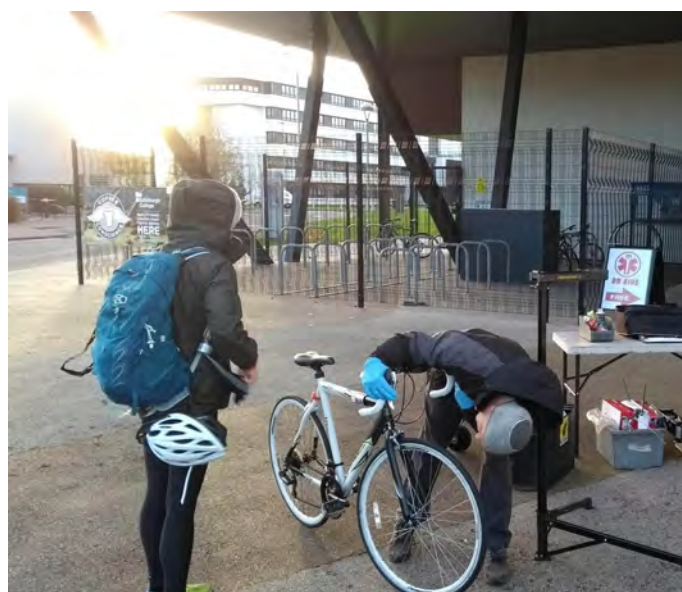
At this time last year, we reported the successful award of Climate Challenge Fund funding for a Low Carbon Travel project - Go Green. We are now a year into the two-year funded project and it is really taking off.



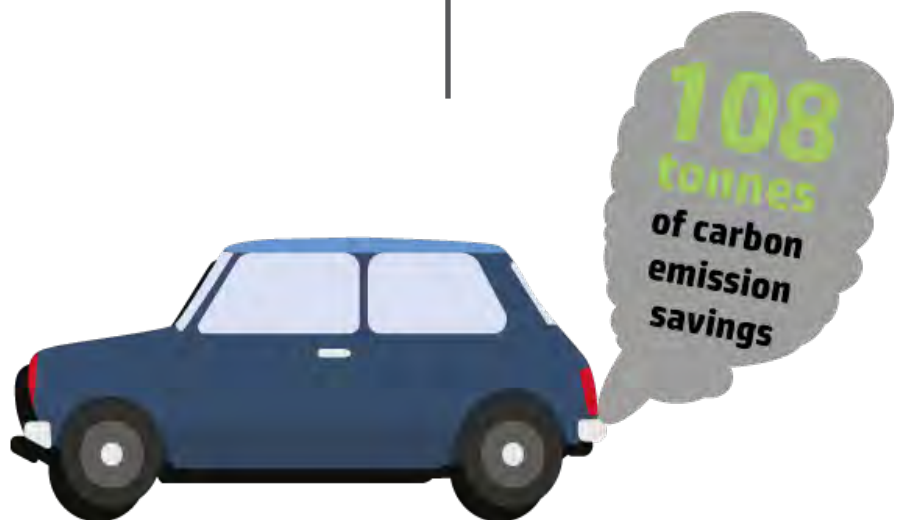
The key project events that have taken place this year were a New Year Travel Pledge and a Spring Travel Challenge. These encouraged students to sign up to make a change to their travel that is more environmentally-friendly, which was incentivised

through small prizes. A Walking Challenge was also run in conjunction with the Spring Travel Challenge - step counters were available to borrow, so students could tell us about their daily step count for two weeks. 48 students signed up to the New Year Pledge; 28 to the Spring Travel Challenge; and 44 to the Walking Challenge. We hope that students continue to be more active, and travel to college in more sustainable ways once these challenges are complete.

Through a further collaboration with the Edinburgh College Development Trust and the College's Estates department, we were able to secure further match-funding to get a bespoke Edinburgh College Liftshare platform. This funding is supplied through Paths for All's Smarter Choices Smarter Places Open Fund. This has resulted in a Liftshare.com site specifically there for College students and staff, so they can share cars to travel to college and thus reduce their fuel consumption and carbon emissions.



Our year in numbers





Edinburgh College
Students'
Association

Powered by students | Driven by values | Committed to better

Edinburgh College Students' Association is a charity registered in Scotland. Charity number SC028544

	Objective	C	PC/OC	NYS	D	Rating
Education	<ul style="list-style-type: none"> To engage with apprentices through the implementation of a functioning class rep system to ensure that apprentices have a strong voice in their education during their time at Edinburgh College 	73	0	0	27	Partially Complete
	<ul style="list-style-type: none"> To provide information and support in the form of an online handbook for evening students as they don't have access to student services or ECSA during their class hours. 	100	0	0	0	COMPLETE
	<ul style="list-style-type: none"> To establish a 'Rep Academy' system in order to generate a new level of student representatives with the skills and experience to effectively represent students at an institutional level 	23	0	44	33	Carry Over
Activities	<ul style="list-style-type: none"> Create extra-curricular opportunities by adopting a data-driven approach, in order to enhance the student experience through 	100	0	0	0	COMPLETE
	<ul style="list-style-type: none"> Engage women students in sport and exercise in order to improve gender equality in sport and general physical & mental health of women students across the institution 	89	11	0	0	Partially Complete
	<ul style="list-style-type: none"> Engage students with active travel through training, events and campaigns, in order to reduce students' travel-related carbon emissions 	100	0	0	0	COMPLETE
Support	<ul style="list-style-type: none"> To further develop the peer support group and have an active student led group on all campuses 	100	0	0	0	COMPLETE
	<ul style="list-style-type: none"> To create an online wellbeing hub as a resource for early prevention for students' individual wellbeing needs 	100	0	0	0	COMPLETE
	<ul style="list-style-type: none"> To set up a working partnership with local nurseries and childcare providers to make coming back to education an easier route for parents and carers of children 	75	0	0	25	Carry Over
	<ul style="list-style-type: none"> Working in partnership with Nightline to promote the service to all students, linking it into all wellbeing events held throughout the academic year 	100	0	0	0	COMPLETE
Equalities	<ul style="list-style-type: none"> To work with local stakeholders to provide fruit/veg free of charge to students on all campuses, and develop a community sharing scheme to give access to surplus food for students 	67	0	0	23	Carry Over
	<ul style="list-style-type: none"> To provide free sanitary products to students across the College to ensure students get access to what they need, when they need it, free of charge 	100	0	0	0	COMPLETE
	<ul style="list-style-type: none"> Creation of a functioning student group that will build positive communities through providing a supportive and inclusive environment for student parents. 	100	0	0	0	COMPLETE

C = %age Completed

PC/OC = %age Partially Completed & On Course

NYS = %age Not Yet Started

D = %age Delayed

Commentary on progress to date

As we near the end of the Academic year, we are seeing the overall completion rates for our objectives increase. To date, we now have 8 objectives entirely completed (62%), with a further 2 'Partially Complete' (c75% of all actions completed), with any more progress unlikely before the end of the session. This is slightly disappointing in terms of our overall completion rate, but, perhaps reflects the ambition shown in the original objectives, with some turning out to be 2-year projects, rather than 1.

With regards to the partially completed objectives, both 'Apprentice Engagement' and 'Women in Sport' will likely form part of our ongoing engagement for future years, so the work completed to date will help develop these areas further going forward.

3 of our Objectives have been highlighted as 'Carry Over' projects as they are still very much live projects and will be carried over to next academic year as follows:

- **'Rep Academy'** will be taken forward by our Representation & Impact Coordinator now that the College Strategic Plan is a little clearer and our work with the Quality Team is becoming more closely aligned.
- **'Partnerships with local nurseries'** following the production of relevant policies, the work on this area will continue to be worked on by the Parents & Carers Working Group, involving the incoming President and student volunteers (including the outgoing President).
- **'Community Food Sharing scheme'** is currently being re-shaped from free fruit and veg to publicly accessible community fridges on campuses, with Granton being the pilot campus. The Current Vice President Activities will continue to push this forward for the next academic year as she has been returned to office for a second term.

FOR INFORMATION / DISCUSSION			
Meeting	Board of Management 18.06.19		
Presented by	Jonny Pearson		
Author/Contact	Jonny Pearson	Department / Unit	Executive
Date Created	21.05.19	Telephone	-
Appendices Attached			
Disclosable under FOISA	No		

2018/19 RECRUITMENT, RETENTION & CREDITS UPDATE

1. PURPOSE

This paper aims to provide the Policy & Resources Committee with an updated overview of the College's performance against its 2018/19 activity target and to provide 'year-on-year' comparative data to enable benchmarking of performance.

The figures in this paper are accurate as of 21 May 2019.

2. BACKGROUND

For academic year 2018/19 the Edinburgh College activity target is **187,969** credits. This is comprised of:

Core Credits	ESF Credits	Total Credits
186,612	1,357	187,969

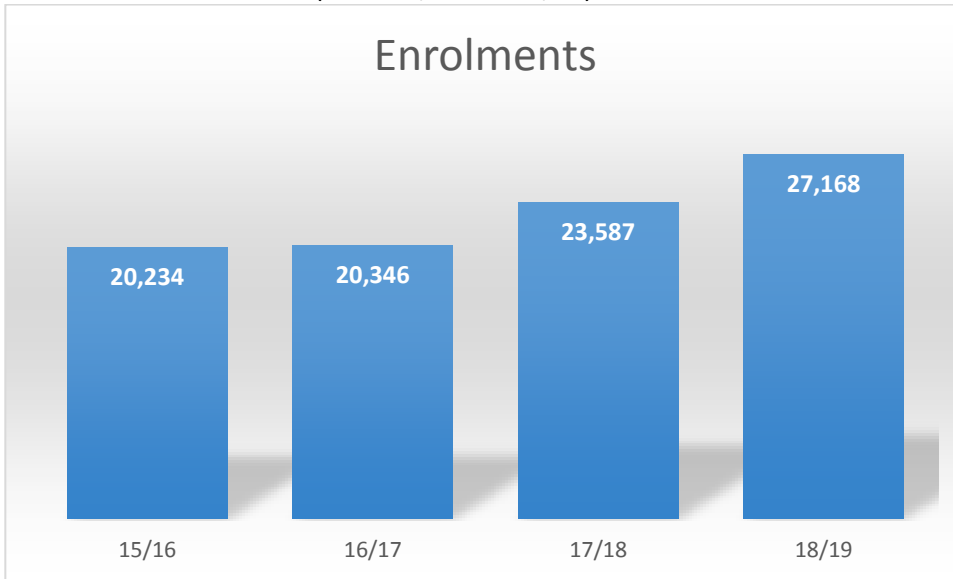
As in previous years, the college is required to achieve its core credits (186,612) before we are able to claim the 1,357 ESF credits.

In addition to this, as part of the SG Early Years 1140 hours commitment, SFC have given us a target of achieving 6,639 Early Years credits (at specified SCQF Levels) as part of the 186,612 core. Due to good curriculum planning and previous year's 'pipeline' we have exceeded this target by 775 credits (Current EY credits = 7,414).

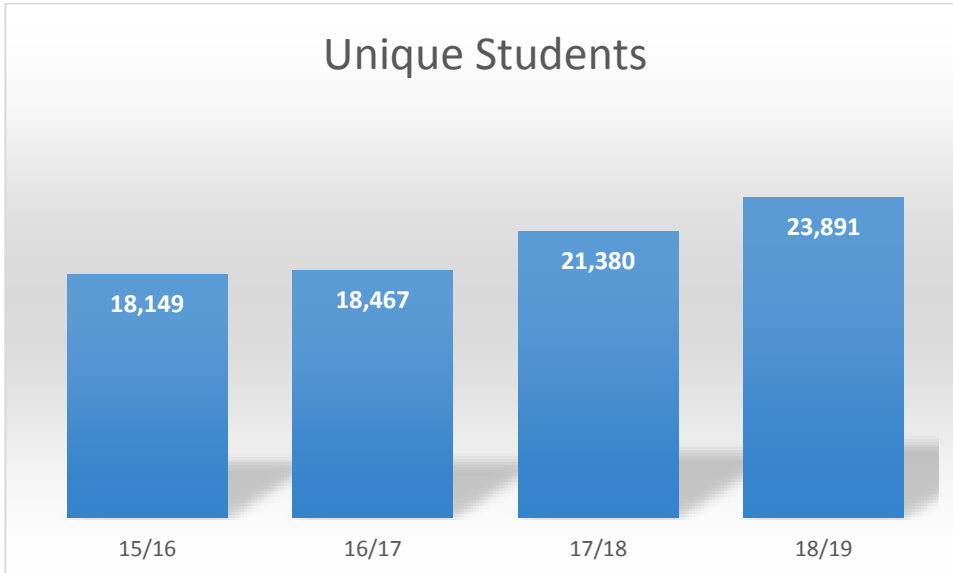
Current credit position **186,066** credits (58,581 HE Credits and 1,940 ESF credits tagged).

3. DETAIL

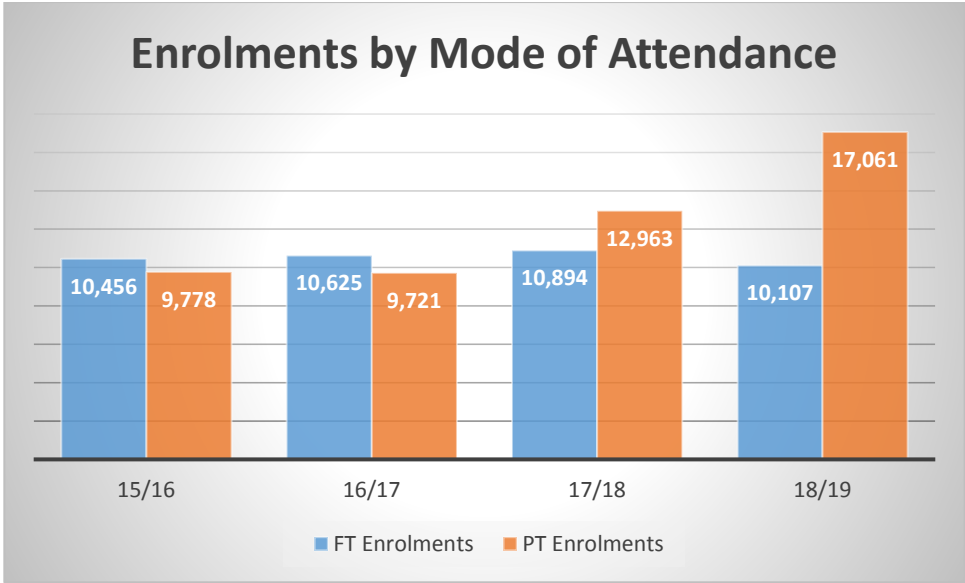
Year on Year Data Trends (AY 2015/16 - 2018/19)



The table shows an increase of **6,934** enrolments over the four year period. This represents a **34%** growth in the number of enrolments at Edinburgh College since we changed the recruitment process.

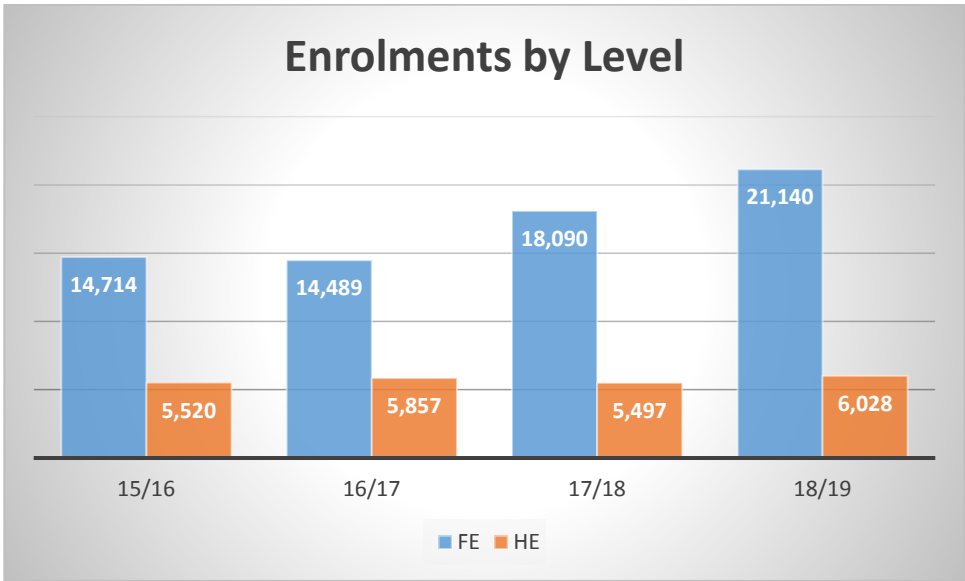


The table shows an increase of **5,742** unique students over the four year period. This represents a **32%** growth in the number of students at Edinburgh College since we changed the recruitment process.

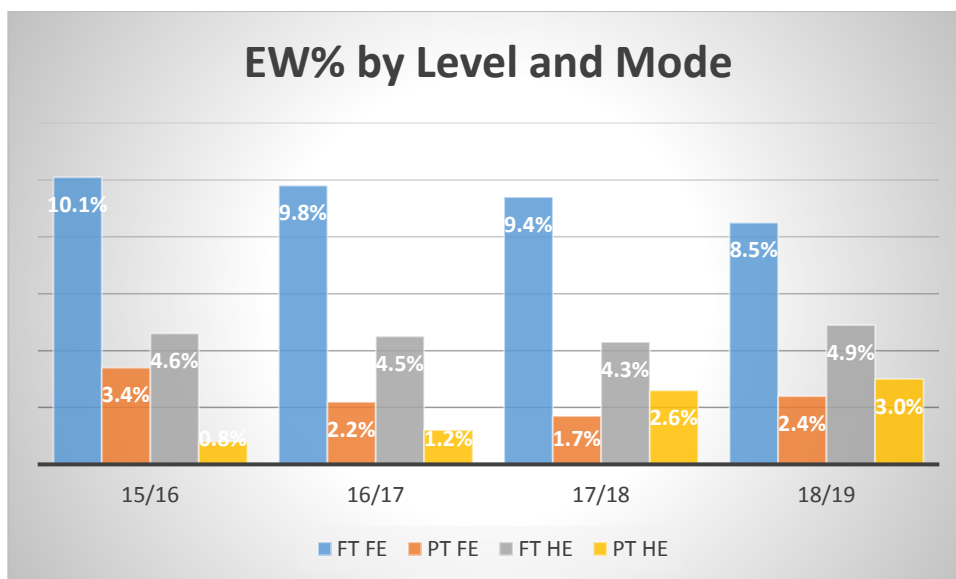


The table shows a decrease of **349 (3%)** in the number of full-time students and an increase of **7,283 (74%)** in the number of part-time students over the four year period.

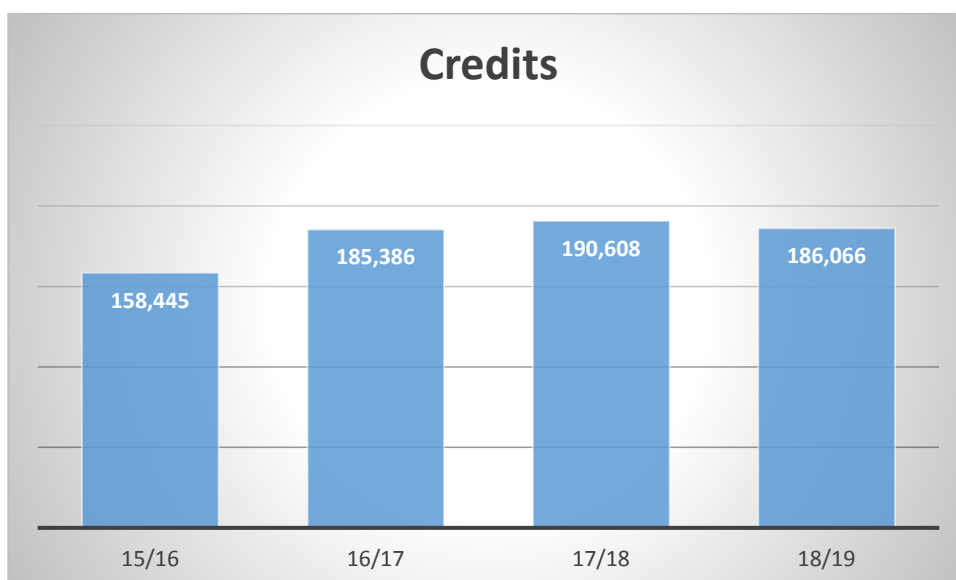
In AY 2015/16, **55%** of students at Edinburgh College were studying on full-time courses – in AY 2018/19 this figure has fallen to **37%**. This trend in increased numbers of part-time students will continue and has been factored in to our curriculum planning for the next three academic years.



This table shows that, despite the increase in numbers of enrolments and unique students, the breakdown of enrolments by academic level has remained fairly stable over the four year period. In AY 2015/16 **71%** of enrolments were at FE level whereas in AY 2018/19 this has increased to **78%**.



The table shows that, despite a great deal of effort and a number of successful interventions, we have not yet fully addressed our problems around early withdrawal (EW%) of students. Average EW% in AY 2015/16 was 5.2% and in AY 2018/19 is 4.4%, however this overall improvement ‘masks’ a disappointing downward trend in HE courses. Our focus in AY 2019/20 will be on retention, attainment and progression and our work with Curriculum Managers and Curriculum Leads on this is already under way.



The table shows an increase of **27,621** credits over the four year period. This represents a **17.4%** increase in the number of credits achieved since we changed the recruitment process. However, it also shows a decrease of **4,542** credits, or **2.4%**, when compared to this time last year. This drop in credits can be explained by the shift from full-time to part-time enrolments, and in particular, the effect of the introduction Flexible Workforce Development Funding.

Semester 2

Planned Credits	Delivered Credits	Balance	Projected Out-turn
19,251	15,861	3,420	189,180

This projected out-turn would leave us **1,211** credits over our activity target (with planned contingency to achieve more, depending upon sector returns)

2019 / 2020 Full-time Recruitment

Full-time courses opened for application on Monday 21st January 2019, our current position is:

AY	Applications	Offers	Accepted Offers
2019/20	14,109	7,126	5,818
2018/19	13,307	7,687	6,314

The table above shows, year on year:

- 6% increase in the number of applicants
- 7.2% decrease in the number of offers made
- 7.8% decrease in the number of offers accepted

4. BENEFITS AND OPPORTUNITIES

By evaluating last year's retention figures we have implemented changes designed to further improve our performance indicators for 2018/19. Constant analysis of comparative data has enabled us to make pro-active changes to the curriculum e.g. replacing poor recruiting programmes with additional occurrences of more popular provision and assess the effects of early withdrawal on student numbers.

5. STRATEGIC IMPLICATIONS

The Board is responsible for the financial sustainability of the College. It is Good practice for the Board to monitor all areas of performance that can impact on the College's viability.

6. RISK

At the most recent Risk Management meeting it was agreed that the risk description should be updated to include attainment and progression and the scores updated accordingly.

7. FINANCIAL IMPLICATIONS

Bodies fundable by the SFC are required by the Financial Memorandum to deliver their outcome agreement. Failure to achieve targets agreed with the SFC may result in financial clawback.

8. LEGAL IMPLICATIONS

Not applicable.

9. WORKFORCE IMPLICATIONS

Not applicable.

10. REPUTATIONAL IMPLICATIONS

Achieving this level of continued growth improves our reputation and helps both Scottish Government and SFC have confidence in the direction of travel of Edinburgh College.

11. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Board of Management are asked to NOTE the information provided by the Vice Principal Education & Skills.



For the future you want

FOR INFORMATION / DISCUSSION			
Meeting	Board of Management 18.06.19		
Presented by	Alan Williamson		
Author/Contact	Lindsay Towns	Department / Unit	Finance
Date Created	03.06.19	Telephone	-
Appendices Attached	<i>Appendix 1: Management Accounts to April 2019 (with commentary)</i>		
Disclosable under FOISA	Yes.		

MANAGEMENT ACCOUNTS TO APRIL 2019

1. **PURPOSE**
To provide the Board of Management with an update on the financial performance of the college.
2. **BACKGROUND**
The Board are asked to review the management accounts at each meeting, in order to assess the college’s current financial position.
3. **DETAIL**
Contained within Appendix 1.
4. **BENEFITS AND OPPORTUNITIES**
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. **STRATEGIC IMPLICATIONS**
Content inherent within strategic objectives.
6. **RISK**
Content assists monitoring college’s financial performance.
7. **FINANCIAL IMPLICATIONS**
Inherent within content.
8. **LEGAL IMPLICATIONS**
Some content may cover legal issues.
9. **WORKFORCE IMPLICATIONS**
Some content may cover workforce issues.

10. REPUTATIONAL IMPLICATIONS

None.

11. EQUALITIES IMPLICATIONS

None.

CONCLUSIONS/RECOMMENDATIONS

The Board are asked to DISCUSS and NOTE the Management Accounts to April 2019.



For the future you want

FINANCIAL REPORT

9 MONTHS TO 30 APRIL 2019

CONTENTS

Report from Chief Operating Officer

1. Executive Summary
2. Credit Activity
3. Progress with the Transformational Plan and its alignment to the College's 2018/19 Budget
4. Income Analysis
5. Expenditure Analysis
6. Staff Cost Analysis
7. Trading Departments
8. Cash-flow
9. Balance Sheet
10. SFC Reporting
11. Key Performance Data

Appendices:

1. Income and Expenditure Account Summary and Detail.
2. Balance Sheet
3. Cash-flow

DISTRIBUTION

Executive Team
Board of Management P&R Committee
Senior Management Group

The following report provides an update on the financial position of Edinburgh College at 30th April 2019

1. EXECUTIVE SUMMARY

Activity

1.1 The College is on track to achieve the total credit target of **187,968** credits. At 20th May 2019 the College has achieved **186,569** credits.

1.2 Underlying Operating Result

As per SFC Measurement basis	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actuals</u>	<u>YTD Variance</u>	<u>Previous YTD</u>	<u>Full Year Forecast</u>
	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
Result (2016/17 after £2.9m adjustment and 2018/19 pre SFC Grant Repayment)	500	497	(87)	(584)	(266)	(640)
Add:						
Depreciation net of deferred capital grant release	2,024	1,685	1,900	(215)	1,548	2,522
Deduct:						
Revenue funding allocated to loan repayments	1,130	847	847	-	1,089	1,130
Underlying operating result	1,394	1,335	966	(799)	193	752

The College's underlying operating position is a key measure introduced by the SFC following recommendations by Audit Scotland. It excludes non-cash items included in the income and expenditure account (pension and depreciation net of deferred capital grant release) as well as capital loan and Lennartz repayments (which are not included in the income and expenditure account).

1.3 Income and Expenditure

	<u>Revised Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actuals</u>	<u>YTD Variance</u>	<u>Previous YTD</u>	<u>Full Year Forecast</u>
	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
Funding Council Grants	46,953	33,336	33,379	43	33,536	47,160
Tuition Fees and Commercial & Other Income	16,930	14,983	14,421	(561)	12,421	16,031
Deferred Income	2,931	2,241	2,547	305	2,396	3,338
Total Income	66,814	50,560	50,347	(213)	48,353	66,529
Staff Costs	46,355	34,428	34,127	301	33,059	45,994
Other Costs	15,004	11,706	11,860	(151)	11,616	15,314
Depreciation	4,955	3,927	4,073	(147)	3,944	5,362
July 2018 Additional Revaluation	-	-	374	(374)	-	498
Depreciation	-	-	374	(374)	-	498
Total Expenditure	66,314	50,061	50,434	(371)	48,619	67,168
Operating Surplus / (Deficit) (pre SFC Grant Repayment)	500	497	(87)	(584)	(266)	(640)
SFC Grant Repayment	(500)	-	-	-	-	(500)
Operating Surplus / (Deficit) (post SFC Grant Repayment)	-	497	(87)	(584)	(266)	(1,140)

1.4 The £0.5m budget surplus for 2017/18 (prior to an SFC Grant Repayment of £0.5m) was set in line with the third year of the business transformation plan as agreed with the SFC. This equates to an underlying operating surplus position of £1.4m.

- 1.5 The full year forecast operating deficit (pre SFC Grant Repayment) is now £640k (which equates to an underlying surplus of £752k). In comparison to last month's forecast operating deficit position, there is a net adverse movement of £160k, and a difference of £1,140k compared to the full year budget. The main forecast movements for the month and to date are shown below:

Year-End Forecast Movements (April 2019)

	<u>£k - Fav</u> <u>/(Adv)</u>
Granton Residence under-occupancy	(60)
Bespoke Income	(49)
Scheduled Income	(66)
FWDF Income	22
Other Income (Facilities Hires)	20
Professional Fees (Blueprint)	(50)
Nursery Income	(25)
VAT	50
Other	(2)
	<u>(160)</u>

Net Year-End Forecast Movements YTD April 2019

	<u>£k - Fav</u> <u>/(Adv)</u>
Staff costs - for the reasons outlined above (in para 1.5), equates to a net favourable movement of £120k from the March year-end projection (following the WEACT contract effect). These savings currently off-set the £250k initial budget gap in national pay funding.	361
Additional ESF credits delivered by the College in 2017/18 - SFC has provided additional one-off funding.	47
Notification from the SFC, that additional funding to be used towards national pay Job Evaluation support staff costs	53
Depreciation -following the year-end revaluation of fixed assets. The associated revaluation reserve release is shown below the operating position line. (Non-Cash)	(498)
This includes shortfalls in SAAS income of £85k, FE / HE & Self-Payers of £173k and Associate Degree income of £185k, partly offset by an improved performance in managing agents activity, forecast to settle the year £164k above budget (largely CITB contract).	(268)
All final claims have been processed and outcomes have settled in relation to the WEACT contract (which transferred to another provider from 1st April 2019). Full year budgets have been adjusted for April 2019 reporting to reflect the end of the contract at 31st March 2019.	(169)
Following the outsourcing of the catering service on the 1st February, the full year budget and forecast incorporates reductions of £0.825m within both catering income and associated expenditure budgets. This figure includes £60k of exceptional backpay costs for Catering staff	(156)
Nursery - due to lower than planned recruitment (net effect £206k)	(275)
Granton Halls of Residence - following a review of occupancy levels / room lets, the College has a contractual obligation to pay for any vacant rooms)	(210)
Net Bespoke & Scheduled Income shortfalls largely offset By FWDF overperformance. Additional courses continue to be delivered to help mitigate the gap.	(25)
	<u>(1,140)</u>
Operating Surplus Budget (pre SFC Grant Repayment)	500
Total Forecast Movement Per Above	(1,140)
Full Year Forecast Deficit (pre SFC Grant Repayment)	(640)

The April underlying operating position shows a surplus of £0.97m (previous month surplus £0.94m), against a profiled budget of £1.3m. The main operating variances are:

- A favourable expenditure variance within staff costs (£301k), as a result of unfilled vacant posts under review, savings as a result of strike action, and vacancy churn.
- An adverse income variance within tuition fees of £360k to date (mainly lower WEACT pre-employability income, SAAS and associate degree income partly offset by higher managing agent income). In addition, there is an adverse variance of £158k within 'other' income (a net shortfall in Nursery revenue), a current adverse variance of £159k within other operating expenditure (mainly under-occupancy within Granton accommodation), and a net total adverse variance of £216k within depreciation & deferred grant income.

1.6 The cost of living increase for support staff will add £0.6m to the paybill in both 2018/19 and 2019/20. An indicative cost of living increase has also been offered to lecturing staff which will cost £0.3m in 2018/19 and £0.65m in 2019/20 (this is still being negotiated with EIS).

The 2018/19 staff budget and forecast includes both cost of living increases, which are funded by the College. In the current year vacancy churn and / or reducing budget spend is required to cover these costs. In 2019/20. Therefore savings / additional income will be required to meet the £0.95m recurring pay costs.

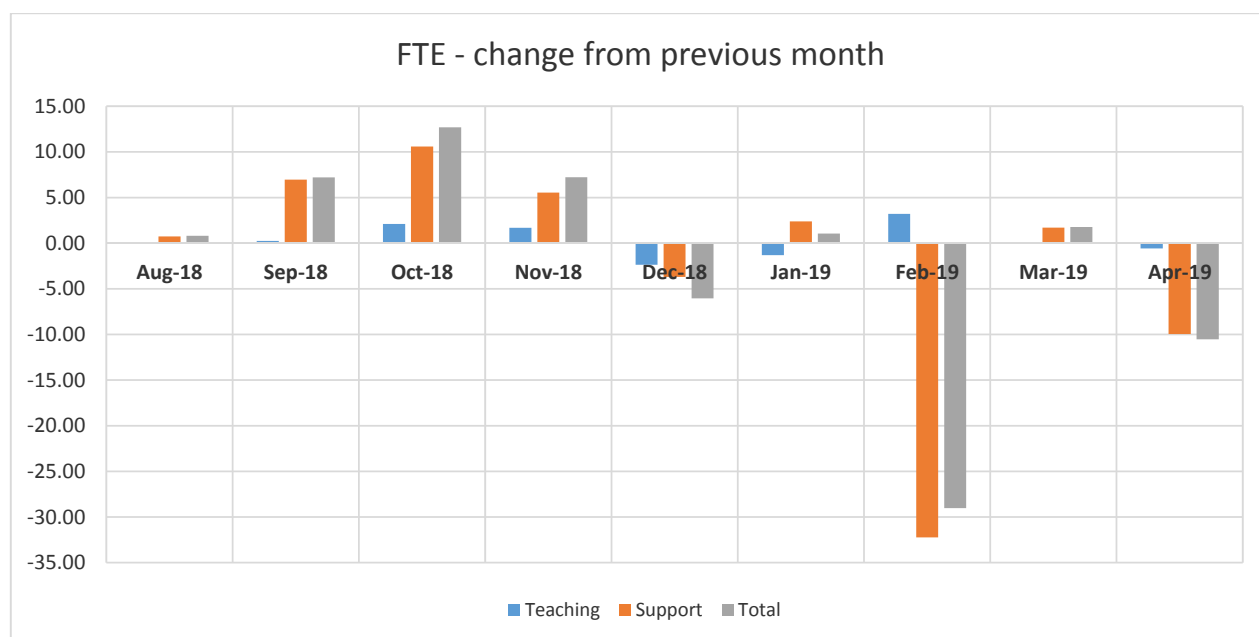
1.7 An increased rate in employer pension contributions for lecturing staff was due to commence in April 2019 but has now been deferred to 1st September 2019. The increase will be 5.8%. The cost of the increase to Edinburgh College in future years will be £1.1m pa, which will be an extremely challenging cost reduction to achieve. Guidance from the SFC/SG in terms of potential funding suggests that Colleges should forecast on the basis that 50% being covered by the Scottish Government in year 1.

1.8 Staff (Full Time Equivalent)

FTE	31/07/18	30/04/19	Other movement	VS reduction (phase 4 scheme)	30/04/18
Teaching	488.2	491.4	3.2	-	505.0
Support	559.8	541.8	(17)	(1.0)	557.6
	1,048.0	1,033.2	(13.8)	(1.0)	1,062.6

Staff numbers have decreased by 10.5 FTE during April, mainly related to the WEACT contract.

FTE Staff movements by month are shown below:



1.9 Cash Position

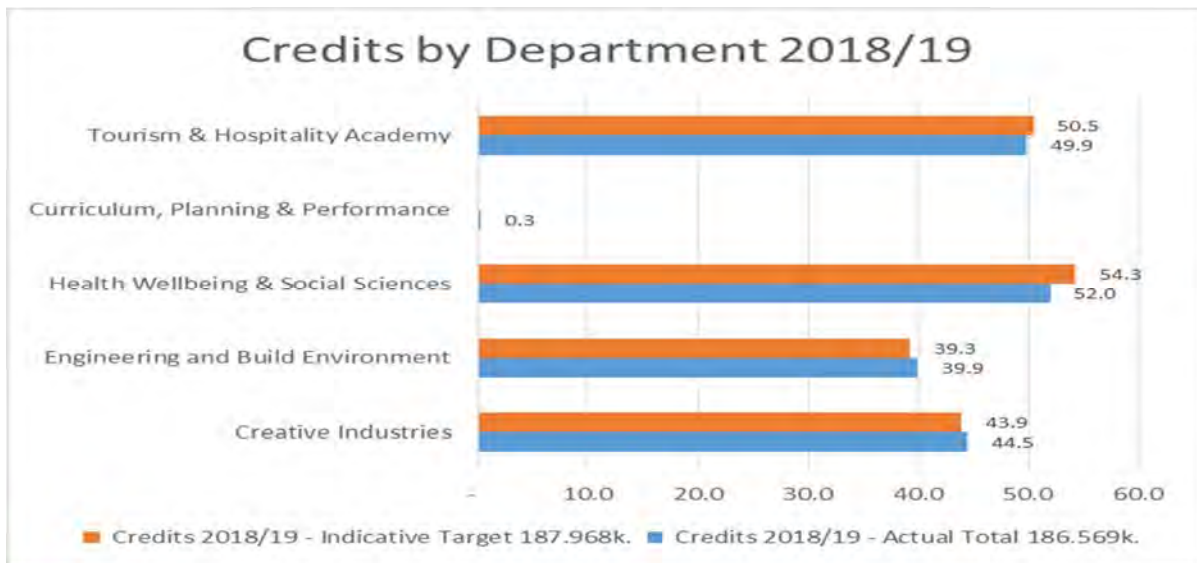
Opening Cash	Month-end cash	Forecast year-end cash	Comments
			<p>Opening cash includes £0.3m of 2017/18 underspent student support funds which has been returned to the SFC in the current year. This recovery will have no effect on the allocation of funds for 2018/19.</p> <p>The forecast total cash balance for the year-end is £0.9m, a net deterioration of £152k from last month's projection, mainly a result of revised Income and Expenditure projections as outlined above.</p> <p>The student support forecast year-end balance is shown as £0.2m (in line with last month's projection). £1.25m of student support funds were drawn down in March 2019 (as part of the SFC's in-year redistribution exercise).</p>
01/08/2018	30/04/2019	31/07/2019	
£'m.	£'m.	£'m.	
0.9	3.5	0.9	

1.10 Capital Expenditure

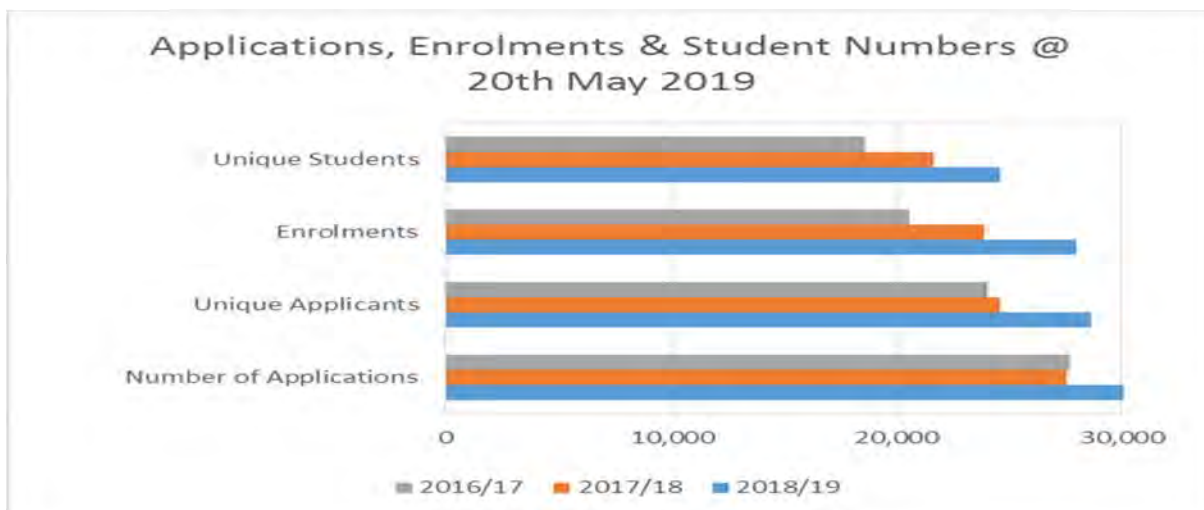
Opening Fixed Assets	Additions YTD	Depreciation	Closing Fixed Assets	Comments
				<p>£2.3m of additions (including £1.1m of work in progress) have been incurred since the beginning of the academic year. This comprises a number of Estates and ICT project works (including lift upgrades and the refurbishment and installation of cross campus cctv platforms) and high priority backlog maintenance works. In total £3.1m of funds have been assigned to capital priorities and backlog maintenance works for the 2018/19 financial year. The deadline for spending priority backlog maintenance has been extended from 31 March 2019 to 31 July 2019.</p>
01/08/2018	30/04/2019	30/04/2019	30/04/2019	
£'m.	£'m.	£'m	£'m.	
162.6	2.3	(4.4)	160.5	

2. CREDIT AND STUDENT ACTIVITY

- 2.1 The agreed activity target for the 2018/19 academic year is 186,612 core credits, with an additional 1,356 credits available (relating to ESF activity) contingent upon 54,340 HE level credits being achieved in the year.
- 2.2 Latest enrolment figures remain encouraging, whilst student withdrawal rates remain low. Full time student numbers are less than the previous year but are partially offset by an increased number of part time students.
- 2.3 The College has achieved **186,569 credits** at 20th May 2019. The "Credits by Department" table (below) shows a comparison of YTD performance, by department, against current full year targets.




2.4 The following table shows a comparison of Applications, Enrolments and Unique Student numbers over the years 2016/17 to 2018/19 (to date).

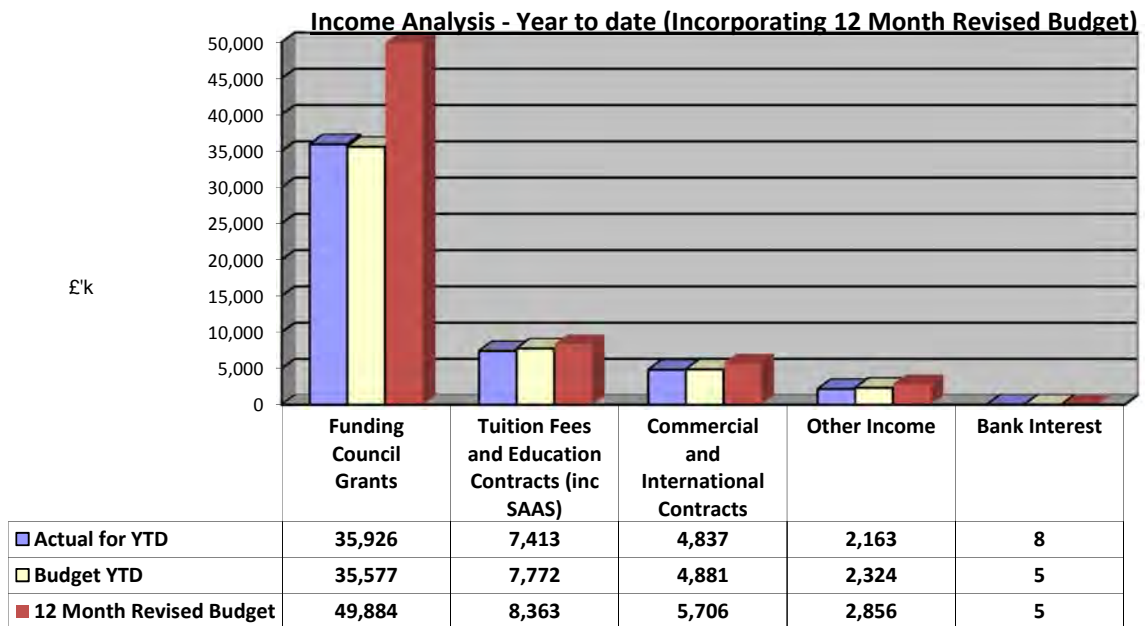


3. CLOSURE OF THE TRANSFORMATION PLAN AND ITS ALIGNMENT TO THE COLLEGE'S 2018/19 BUDGET

- 3.1 In April 2016, a 3 year Business Transformation Plan (BTP), which outlined a sustainable business model for the future, was implemented and the College set a break-even budget for 2018/19 in line with the plan. This is after repayment of £0.5m (tranche 1) in relation to the 2016/17 £2.9m SFC advance, which was not part of the break-even position when writing the BTP in 2016. This result equates to an underlying operating position of £1.4m.
- 3.2 Total BTP savings achieved for all periods were **£6.83m** against a target of **£5.43m** (an increase of **£1.4m**) which comprised £1.86m of non-pay savings and £4.97m of staff cost savings.

4. INCOME ANALYSIS

Income Expanded Account Detail for the 9 Months to 30th April 2019 (Ex Core SFC Grants)							
 For the future you want	Original Annual Budget	Revised Annual Budget	YTD Budget	YTD Actuals	YTD Variance	Previous YTD	Year End Projection
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
4. Income Analysis							
<u>Tuition Fees & Education Contracts</u>							
FE - UK & EU	130	130	98	55	(43)	89	55
HE - UK & EU	371	371	371	315	(56)	367	315
PT Self Payers	530	530	501	481	(21)	669	488
Examination Fee Income	20	20	15	31	16	20	31
SAAS	4,162	4,116	4,109	4,031	(78)	3,020	4,031
SAAS - Commercial		46	46	46			46
Associate Degree Fees	990	990	947	805	(142)	846	805
Managing Agents	1,412	1,412	937	1,060	123	1,159	1,576
Edinburgh Council - Pre Emp Contract	1,078	747	747	589	(158)	791	589
	8,694	8,363	7,772	7,413	(360)	6,962	7,937
<u>Commercial & International</u>							
International	1,485	1,485	1,369	1,369	(0)	1,091	1,485
SDS	578	578	448	448		462	578
EH15 and The Apprentice Restaurants	48	48	33	33		57	48
Bliss SPA and Employability Salons	120	120	97	82	(15)	89	100
Gym	313	313	251	276	25	248	313
Residences	541	541	310	310	(0)	363	541
Bespoke Contracts for Employers	1,803	455	338	257	(81)	315	347
Scheduled Short Courses	818	776	645	441	(205)	456	503
Flexible Workforce Development Fund		1,390	1,390	1,622	232		1,622
	5,706	5,706	4,881	4,837	(43)	3,081	5,537
<u>Other Income</u>							
Catering	1,753	927	923	773	(150)	1,206	773
Nursery	1,150	1,150	841	653	(188)	607	875
Access Centre Provision	143	143	143	173	30	106	173
Other Income Generating Activities	486	636	418	564	147	440	727
	3,532	2,856	2,324	2,163	(161)	2,359	2,548
<u>Endowment & Investment</u>							
Bank Interest	5	5	5	8	3	18	8
	5	5	5	8	3	18	8
TOTAL INCOME (EX CORE SFC GRANTS)	17,937	16,930	14,982	14,421	(561)	12,420	16,030



- 4.1 The total revised income budget for the year stands at £66.8m (an adverse movement of £331k from month due to WEACT contract budget removal). Total income for the year to date is £50.3m, which is £0.2m lower than the profiled budget of £50.6m.
- 4.2 Grant in Aid income is in line with budget on the assumption that credit targets will be met. Total tuition fees to date (excluding the WEACT contract) are currently £0.2m behind profiled budgets, which reflects lower numbers of SAAS funded students and FE/HE & Self-Payer students, as well as lower associate degree students (down by 66 students in total), partly offset by over-performance within managing agents (primarily CITB). The associate degree income stream was badly impacted by the lack of eligible students to replace previous withdrawals (or to replace those students who have decided not to progress to university). Income from tuition fees in total (ex WEACT) is expected to settle the year at £7.3m, some £0.3m below budget (and in line with last month).
- 4.3 The starting WEACT income budget (£1.1m) was based upon a full year contract on an academic year basis. Achieving this figure was dependent upon securing a new contract with WEACT after March 2019 (when our current contract ended). This tender was unsuccessful. All final claims have been processed and outcomes have settled, leaving a net shortfall for the year of £0.2m (£5k adverse versus forecast).
- 4.4 International business to date remains in line with expectations and on target to achieve the £1.485m full year income budget. The Transnational Academic Group spent time with the International Development Team on their recent visit to the UK and are currently finalising their TVET requirements for the Africa market, and there is optimism that new opportunities for the College may subsequently arise. Projects remain in progress with Panama Bilingue, Uzbekistan and Italian groups, whilst oil and gas collaborative training opportunities in West Africa are being explored. Following the outcome of recent elections in Panama, any changes to current government policy will be closely monitored, as almost 50% of international income generated in 2018/19 is from the Panama Bilingue contract.

The main focus for the UK Commercial Development team continues to be working closely with College faculties to increase Semester 2 recruitment. A working group has been created to identify additional courses which can be run before end July 2019 to mitigate the forecast full year income shortfall within scheduled courses of £273k (a deterioration of £66k from March). A marketing campaign commenced in April to promote new courses, with adverts being shown on trams and buses, and a direct marketing drive was undertaken for hospitality and trades courses.

The FWDF programme remains strong and the total amount of funding available to the College (£1.622m) has now been fully allocated, with expectations that everything will be fully contracted by the

end of May. As a result, the full year forecast for FWDF activity has been increased this month by £22k to £1.622m to align with the College's funding allocation for the year (an improvement on budget of £232k). This will leave 2 months for the team to focus on securing bespoke contracts for the year ahead and to commence discussions with a number of counterparties in readiness for a new FWDF programme in 2019/20. However, owing to the team's focus on securing FWDF contracts, there has been slippage in securing bespoke contracts, and the full year forecast for this activity has been reduced by £108k (an adverse movement of £49k from March). Associated budget expenditure for both bespoke and scheduled courses is currently being used to support the FWDF programme, although savings may eventually crystallise by the end of the session.

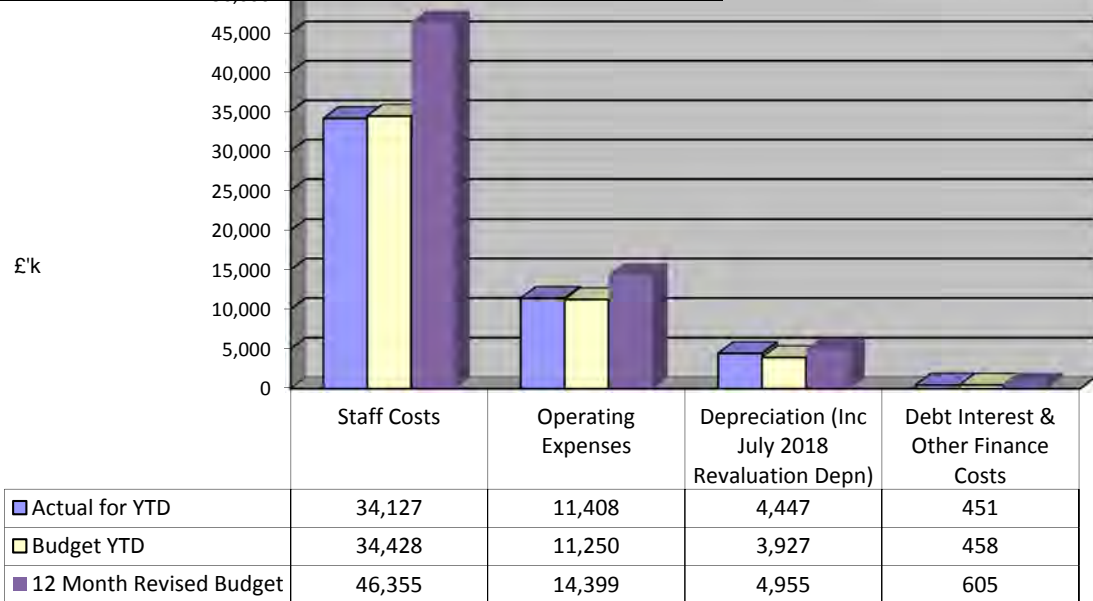
With regards to the SDS programme, good progress continues to be made in relation to finding and securing Foundation and Modern Apprenticeship placements. As a consequence, the programme remains on track to achieve its full year income target of £578k.

4.5 The trading positions for both the catering and nursery facilities are shown in paragraph 7.

5. EXPENDITURE ANALYSIS

Edinburgh College For the future you want								Total Expenditure (Non-Staffing) Account Detail for the 9 Months to 30th April 2019							
	Original Annual Budget £000s	Revised Annual Budget £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Previous YTD £000s	Year End Projection £000s								
Other Operating Expenses															
Premises	4,533	4,525	3,438	3,578	(140)	3,475	4,822								
Teaching Activity & Support	937	1,442	1,035	1,094	(59)	882	1,472								
Childcare Costs	1,500	1,500	1,403	1,403		1,280	1,500								
Transport Costs	72	76	68	70	(2)	56	76								
IT Costs	970	951	681	681	0	640	951								
Telecomms Costs	134	134	118	118	0	114	134								
Equipment	79	75	59	40	19	35	75								
Health & Safety	37	37	28	30	(2)	26	37								
Travel & Subsistence	493	517	399	409	(10)	314	517								
Admin Costs	180	167	112	133	(21)	116	167								
Corporate, Consultancy, Professional	1,207	869	627	620	8	536	819								
Staff Welfare	16	16	10	10	0	15	16								
Catering	1,215	875	602	598	4	820	877								
Training & Development	102	102	73	73	(0)	57	102								
VAT	1,222	1,222	1,048	1,079	(32)	1,086	1,301								
Marketing & PR	167	167	130	105	25	111	159								
Partnership Costs	481	332	323	301	23	378	313								
Overseas Agents Commission	118	118	40	15	26	27	98								
Registration & Exam Fees	1,238	1,231	1,023	1,021	2	1,129	1,231								
Bad Debts	40	44	31	31	(0)	31	44								
	14,737	14,399	11,250	11,408	(159)	11,128	14,710								
Depreciation for the year	4,955	4,955	3,927	4,073	(147)	3,944	5,362								
July 2018 Additional Revaluation Depreciation				374	(374)		498								
Debt Interest & Other Finance Costs															
Interest On Bank Loans	575	575	430	430	(0)	446	575								
Other Finance Charges	30	30	28	22	6	43	30								
	605	605	458	451	6	489	605								
TOTAL EXPENDITURE (NON-STAFFING)	20,297	19,969	15,634	16,307	(672)	15,561	21,175								

Expenditure Analysis - Year to date (Incorporating 12 Month Budget)



5.1 The total expenditure budget for the year stands at £66.3m (a reduction of £331k from April – removal of WEACT). Within other operating expenditure, there is an adverse variance of £159k on the profiled year to date budget, which is largely composed of underspends within overseas agency commission of £26k and within marketing costs of £25k, wholly offset by overspends within premises costs of £140k (Granton accommodation vacant rooms) and within teaching activities (£59k – a by-product of increased managing agents and access centre provision activity). Controlling expenditure remains a priority as we move towards the year-end, whilst overspent areas to date remain under close review.

6. STAFF COST ANALYSIS

Edinburgh College For the future you want	Staffing Expenditure Account Detail for the 9 Months to 30th April 2019						
	Original Annual Budget	Revised Annual Budget	YTD Budget	YTD Actuals	YTD Variance	Previous YTD	Year End Projection
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Staff Costs							
Senior Management	1,545	1,547	1,154	1,116	38	1,213	1,547
Academic Departments	23,190	23,149	17,149	16,716	434	17,019	22,829
Academic Services	4,435	4,612	3,509	3,426	84	3,179	4,612
Admin & Central Services	12,177	12,082	9,118	9,044	73	8,414	12,041
Premises	1,381	1,439	1,093	1,090	3	847	1,439
Catering & Residences	1,073	600	576	576	(1)	832	600
Temporary, Agency & Staff Bank Costs	1,766	1,749	1,311	1,342	(31)	1,007	1,749
Other Staffing Expenditure	1,457	1,177	518	817	(299)	549	1,177
	47,023	46,355	34,428	34,127	301	33,059	45,994

6.1 Staff costs are currently £0.3m lower than the profiled budget, as a result of unfilled vacant posts and vacancy churn across College departments. Full year staffing costs are expected to settle the year at £46m, approx. £361k below full year budget and a net favourable movement of £120k from last month's year-end projection (WEACT staff), this also includes the effects of strike action. For the remainder of the year, fixed term and temporary contracts, as well as agency staff costs, will remain under close review and opportunities to increase savings may arise over the coming months, bolstered by agency and temporary staffing costs traditionally reducing through June and July.

The current staffing forecast excludes cost of living pay increases higher than the amount currently being negotiated with EIS.

6.2 Staff numbers have decreased by net 14.8 FTE in total since July 2018, due to a decrease within support staff, following the TUPE of catering staff to an external catering provider in February 2019 and the departure of staff at the end of March 2019 following the end of the WEACTION contract, partly offset by an increase in staffing within the Facilities Team following the TUPE transfer of security staff from ISS. There are also a number of vacancies being filled within the Student Experience and Commercial Development departments.

7. TRADING DEPARTMENTS

	Catering			Full Year Forecast (£000)	Nursery			Full Year Forecast (£000)
	YTD Apr 2019				YTD Apr 2019			
	Full Year Budget (£000)	YTD Revised Budget (£000)	Actuals (£000)		Full Year Budget (£000)	YTD Revised Budget (£000)	Actuals (£000)	
Income	927	923	773	784	1,150	841	653	875
Staffing Expenditure	(541)	(541)	(543)	(543)	(999)	(749)	(730)	(999)
Non Staffing Expenditure	(380)	(380)	(397)	(397)	(82)	(62)	(25)	(82)
Net (Deficit) Contribution Towards Associated Costs	6	2	(167)	(156)	69	30	(101)	(206)

7.1 The above information provides an overview of the catering and nursery trading positions.

7.2 Full year income and expenditure budgets (and forecasts) for the Catering service were reduced in February by £0.825m to reflect the outsourcing of the service from 1st February. The net deficit position includes £60k of exceptional backpay costs for Catering staff included within the College's full year forecast (unchanged from last month). Income will still benefit from vending machine revenue until the end of the year.

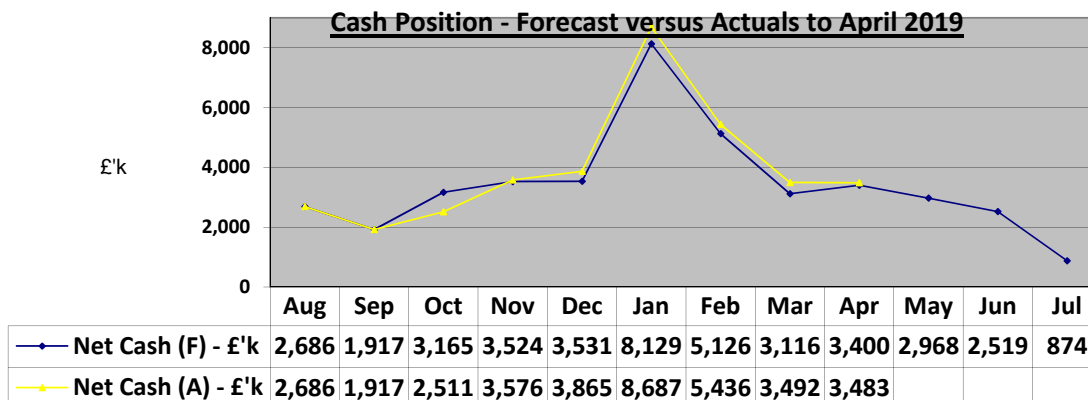
7.3 Following the latest reviews of the projected intake for the Nursery to July 2019, the full year income forecast shows a shortfall for £275k (£25 higher than last month).

8. CASH-FLOW

8.1 The forecast total cash balance for the year-end is £0.9m, a deterioration of £152k from last month's projection, which is largely a result of revised Income and Expenditure projections as outlined above.

Approx. £1.25m of student support funds were drawn down in March 2019 (as part of the SFC's in-year redistribution exercise) partly offset by the repayment of the 2017/18 underspend of £0.3m.

The following chart shows the forecast cash position through the year compared to the actual cash position.



9. BALANCE SHEET

<u>Balance Sheet as at 30 April 2019</u>		<u>At 30 Apr</u> <u>19</u>	<u>At 31 Jul</u> <u>18</u>	YTD Mvmt
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Fixed Assets	Land and Buildings	151,773	154,511	(2,738)
	Fixtures, fittings and Equipment	8,700	8,096	604
		<u>160,473</u>	<u>162,607</u>	<u>(2,134)</u>
Current Assets	Stock	41	89	(48)
	Debtors	3,614	2,244	1,370
	Cash - Main	2,412	350	2,062
	Cash - Student Support	1,071	595	476
Total		<u>7,138</u>	<u>3,278</u>	<u>3,860</u>
Creditors		(67,092)	(64,535)	(2,557)
Bank Loans		(9,807)	(10,149)	342
Lennartz		(65)	(262)	197
Provisions		(14,280)	(14,485)	205
		<u>76,367</u>	<u>76,454</u>	<u>87</u>
Funded by:				
Reserves		<u>76,367</u>	<u>76,454</u>	<u>87</u>
		<u>76,367</u>	<u>76,454</u>	<u>87</u>

9.1 The movements in Cash and Fixed Assets are detailed in the sections above. Debtors has reduced by £0.1m since March as amounts invoiced reduced towards the end of the year.

The increase in creditors primarily relates to capital formula grants which have not yet been released to support associated capital expenditure outflows.

10. SFC REPORTING

10.1 The May SFC Cash Flow return was in line with the month end cash flow included as part of this commentary with the exception of including the proposed £500k SFC grant repayment. This difference is in line with SFC requirements.

11. KEY PERFORMANCE DATA

Financial Performance Monitoring Template							
	2017/18 Annual Target			2018/19 Annual Target	2018/19 YTD Actuals		2017/18 Annual Out-turn
Credits	184,028			186,612	186,569		189,268
Credits Additional Childcare	1,714			-	-		1,714
Credits ESF	2,000			1,356	-		2,000
	2017/18 Annual Budget	2018/19 Annual Budget	Revised Annual Budget	2018/19 YTD Budget	2018/19 YTD Actuals	YTD Variance	Previous YTD
	£k	£k	£k	£k	£k	£k	£k
Underlying Operating Result		1,394	1,394	1,335	966	(799)	193
Commercial & International Contracts	5,921	5,706	5,706	4,881	4,837	(43)	3,081
Refer sections 2 to 5							
Income	66,040	67,820	66,814	50,560	50,347	(213)	48,353
Expenditure	66,553	67,320	66,314	50,061	50,434	(371)	48,619
Operating Surplus / (Deficit) pre SFC Grant Repayment	(514)	500	500	497	(87)	(584)	(266)
Refer sections 6 to 7							
Net Cash Inflow / (Outflow)	(1,245)	(263)	(263)	2,539	2,539	-	(1,238)
Bank Balance	3,554	681	681	3,483	3,483	-	3,561
Fixed Assets	142,335	158,032	158,032	160,473	160,473	-	145,382
Net Current assets / (liabilities)	(7,414)	(5,702)	(5,702)	(5,431)	(5,431)	-	(7,150)
Creditors and Provisions	(89,898)	(75,876)	(75,876)	(78,675)	(78,675)	-	(92,539)
Net Assets	45,023	76,454	76,454	76,367	76,367	-	45,693
Pay costs % of Income	% 69.0	69.7	69.3	68.1	67.8	(0.3)	68.4
Current Ratio	0.35	0.33	0.33	0.57	0.57	-	0.45
Cash Days in Hand	(44)	(29)	(29)	(32)	(32)	-	(44)
Borrowings as % of reserves	% 10.4	7.7	7.7	7.5	7.5	-	10.1



For the future you want

I&E Account for the 9 Months to 30th April 2019

	<u>Original</u> <u>Annual</u> <u>Budget</u> <u>£000s</u>	<u>Revised</u> <u>Annual</u> <u>Budget</u> <u>£000s</u>	<u>YTD</u> <u>Budget</u> <u>£000s</u>	<u>YTD Actuals</u> <u>£000s</u>	<u>YTD</u> <u>Variance</u> <u>£000s</u>	<u>Previous</u> <u>YTD</u> <u>£000s</u>	<u>Year End</u> <u>Projection</u> <u>£000s</u>
Funding Council Grants	46,153	46,153	32,736	32,779	43	32,736	46,360
Deferred Capital Grant Releases	2,931	2,931	2,241	2,547	305	2,396	3,338
Debt Support Grant	800	800	600	600	0	800	800
Tuition Fees and Education Contracts (inc SAAS)	8,694	8,363	7,772	7,413	(360)	6,962	7,937
Commercial and International Contracts	5,706	5,706	4,881	4,837	(43)	3,081	5,537
Other Income	3,537	2,861	2,329	2,171	(158)	2,377	2,556
Total Income	67,820	66,814	50,560	50,347	(213)	48,353	66,529
Staff Costs	47,023	46,355	34,428	34,127	301	33,059	45,994
Other Operating Expenses	14,737	14,399	11,250	11,408	(159)	11,128	14,710
Depreciation	4,955	4,955	3,927	4,073	(147)	3,944	5,362
July 2018 Additional Revaluation Depreciation	0	0	0	374	(374)	0	498
Debt Interest & Other Finance Costs	605	605	458	451	6	489	605
Total Expenditure	67,320	66,314	50,061	50,434	(371)	48,619	67,168
Operating Surplus / (Deficit) pre SFC Grant Repayment	500	500	497	(87)	(584)	(266)	(640)
SFC Grant Repayment	(500)	(500)					(500)
Operating Surplus / (Deficit) post SFC Grant Repayment	0	0	497	(87)	(584)	(266)	(1,140)
Underlying Operating Result:							
Operating Surplus / (Deficit) pre SFC Grant Repayment	500	500	497	(87)	(584)	(266)	(640)
Add:							
Depreciation net of deferred capital grant release	2,024	2,024	1,685	1,900	(215)	1,548	2,522
Non-cash pension adjustments (not included in deficit 2016/17 and 2017/18)							
Deduct:							
Revenue funding allocated to loan repayments	1,130	1,130	847	847	0	1,089	1,130
Underlying Operating Result	1,394	1,394	1,335	966	(799)	193	752

	<u>Original Annual Budget</u> £000s	<u>Revised Annual Budget</u> £000s	<u>YTD Budget</u> £000s	<u>YTD Actuals</u> £000s	<u>YTD Variance</u> £000s	<u>Previous YTD</u> £000s	<u>Year End Projection</u> £000s
INCOME							
Funding Council Grants							
Recurrent Grant Inc Fee Waiver	43,120	43,120	30,174	30,174	(0)	29,702	43,120
Childcare Funds	1,500	1,500	1,403	1,403		1,280	1,500
Deferred Capital Grants	2,931	2,931	2,241	2,547	305	2,396	3,338
Debt Support Grants	800	800	600	600		800	800
Other SFC Grants	1,532	1,532	1,159	1,202	43	1,754	1,740
	49,884	49,884	35,577	35,925	348	35,932	50,498
Tuition Fees & Education Contracts							
FE - UK & EU	130	130	98	55	(43)	89	55
HE - UK & EU	371	371	371	315	(56)	367	315
PT Self Payers	530	530	501	481	(21)	669	488
Examination Fee Income	20	20	15	31	16	20	31
SAAS	4,162	4,116	4,109	4,031	(78)	3,020	4,031
SAAS - Commercial		46	46	46			46
Associate Degree Fees	990	990	947	805	(142)	846	805
Managing Agents	1,412	1,412	937	1,060	123	1,159	1,576
Edinburgh Council - Pre Emp Contract	1,078	747	747	589	(158)	791	589
	8,694	8,363	7,772	7,413	(360)	6,962	7,937
Commercial & International							
International	1,485	1,485	1,369	1,369	(0)	1,091	1,485
SDS	578	578	448	448		462	578
EH15 and The Apprentice Restaurants	48	48	33	33		57	48
Bliss SPA and Employability Salons	120	120	97	82	(15)	89	100
Gym	313	313	251	276	25	248	313
Residences	541	541	310	310	(0)	363	541
Bespoke Contracts for Employers	1,803	455	338	257	(81)	315	347
Scheduled Short Courses	818	776	645	441	(205)	456	503
Flexible Workforce Development Fund		1,390	1,390	1,622	232		1,622
	5,706	5,706	4,881	4,837	(43)	3,081	5,537
Other Income							
Catering	1,753	927	923	773	(150)	1,206	773
Nursery	1,150	1,150	841	653	(188)	607	875
Access Centre Provision	143	143	143	173	30	106	173
Other Income Generating Activities	486	636	418	564	147	440	727
	3,532	2,856	2,324	2,163	(161)	2,359	2,548
Endowment & Investment							
Bank Interest	5	5	5	8	3	18	8
	5	5	5	8	3	18	8
TOTAL INCOME	67,820	66,814	50,560	50,347	(213)	48,353	66,529
EXPENDITURE							
Staff Costs							
Senior Management	1,545	1,547	1,154	1,116	38	1,213	1,547
Academic Departments	23,190	23,149	17,149	16,716	434	17,019	22,829
Academic Services	4,435	4,612	3,509	3,426	84	3,179	4,612
Admin & Central Services	12,177	12,082	9,118	9,044	73	8,414	12,041
Premises	1,381	1,439	1,093	1,090	3	847	1,439
Catering & Residences	1,073	600	576	576	(1)	832	600
Temporary, Agency & Staff Bank Costs	1,766	1,749	1,311	1,342	(31)	1,007	1,749
Other Staffing Expenditure	1,457	1,177	518	817	(299)	549	1,177
	47,023	46,355	34,428	34,127	301	33,059	45,994
Other Operating Expenses							
Premises	4,533	4,525	3,438	3,578	(140)	3,475	4,822
Teaching Activity & Support	937	1,442	1,035	1,094	(59)	882	1,472
Childcare Costs	1,500	1,500	1,403	1,403		1,280	1,500
Transport Costs	72	76	68	70	(2)	56	76
IT Costs	970	951	681	681	0	640	951
Telecomms Costs	134	134	118	118	0	114	134
Equipment	79	75	59	40	19	35	75
Health & Safety	37	37	28	30	(2)	26	37
Travel & Subsistence	493	517	399	409	(10)	314	517
Admin Costs	180	167	112	133	(21)	116	167
Corporate, Consultancy, Professional	1,207	869	627	620	8	536	819
Staff Welfare	16	16	10	10	0	15	16
Catering	1,215	875	602	598	4	820	877
Training & Development	102	102	73	73	(0)	57	102
VAT	1,222	1,222	1,048	1,079	(32)	1,086	1,301
Marketing & PR	167	167	130	105	25	111	159
Partnership Costs	481	332	323	301	23	378	313
Overseas Agents Commission	118	118	40	15	26	27	98
Registration & Exam Fees	1,238	1,231	1,023	1,021	2	1,129	1,231
Bad Debts	40	44	31	31	(0)	31	44
	14,737	14,399	11,250	11,408	(159)	11,128	14,710
Depreciation for the year	4,955	4,955	3,927	4,073	(147)	3,944	5,362
July 2018 Additional Revaluation Depreciation				374	(374)		498
Debt Interest & Other Finance Costs							
Interest On Bank Loans	575	575	430	430	(0)	446	575
Other Finance Charges	30	30	28	22	6	43	30
	605	605	458	451	6	489	605
TOTAL EXPENDITURE	67,320	66,314	50,062	50,434	(371)	48,619	67,168
Operating Surplus / (Deficit) pre SFC Grant Repayment	500	500	497	(87)	(584)	(266)	(640)
SFC Grant Repayment	(500)	(500)					(500)
Operating Surplus / (Deficit) post SFC Grant Repayment	0	0	497	(87)	(584)	(266)	(1,140)
Underlying Operating Result:							
Operating Surplus / (Deficit) pre SFC Grant Repayment	500	500	497	(87)	(584)	(266)	(640)
Add:							
Depreciation net of deferred capital grant release	2,024	2,024	1,685	1,900	(215)	1,548	2,522
Non-cash pension adjustments (not included in deficit 2016/17 and 2017/18)							
Deduct:							
Revenue funding allocated to loan repayments	1,130	1,130	847	847		1,089	1,130
Underlying Operating Result	1,394	1,394	1,335	966	(799)	193	752



For the future you want

Balance Sheet

For the 9 Months to 30th April 2019

	<u>2018/2019</u> <u>YTD Actuals</u> <u>£000s</u>	<u>2017/18</u> <u>Year End</u> <u>£000s</u>	<u>2017/2018</u> <u>Previous YTD</u> <u>£000s</u>
Fixed Assets			
L&B	151,773	154,511	136,809
FFE	8,700	8,096	8,573
	160,473	162,607	145,382
Current Assets			
Stock	41	89	93
Debtors	3,614	2,244	2,233
Cash	3,483	945	3,561
	7,138	3,278	5,886
Creditors < 1yr			
Loans	(449)	(449)	(436)
Payments received in advance	(112)	(234)	(21)
Trade creditors	(1,776)	(1,259)	(718)
Taxes & social sec	(1,072)	(1,178)	(1,660)
Accruals, Def Inc & Other Creditors	(1,706)	(2,262)	(3,579)
Amounts owed to SFC	(4,522)	(260)	(3,434)
Deferred Capital Grants - Government	(2,931)	(3,338)	(3,189)
	(12,569)	(8,980)	(13,037)
Net current assets / (liabilities)	(5,431)	(5,702)	(7,150)
Total assets less current liabilities	155,042	156,905	138,232
Creditors > 1yr			
Bank loans	(9,358)	(9,700)	(9,822)
Lennartz VAT	0	(262)	(65)
Deferred Capital Grants - Government	(55,037)	(56,004)	(56,010)
	(64,395)	(65,966)	(65,897)
Provisions			
Early retirement	(4,375)	(4,580)	(4,622)
	(4,375)	(4,580)	(4,622)
Net pension asset / (liability)	(9,905)	(9,905)	(22,019)
NET ASSETS	76,367	76,454	45,693
Reserves			
I&E account	44,101	43,401	40,662
Pension reserve	(9,905)	(9,905)	(22,019)
Revaluation reserve	42,172	42,958	27,050
RESERVES	76,367	76,454	45,693



FOR DISCUSSION / INFORMATION			
Meeting	Board of Management 18.06.19		
Presented by	Audrey Cumberford		
Author/Contact	Trish Hanlon	Department / Unit	Principal/Chief Executive
Date Created	11.06.19	Telephone	-
Appendices Attached	Appendix 1: Principal & Chief Executive Report - June 2019 Appendix 2: Letter to Principal from EIS General Secretary - 10 June 2019 Appendix 3: Horizon Scanning Report - Edition 4		
Disclosable under FOISA		Yes.	

PRINCIPAL AND CHIEF EXECUTIVE REPORT

1. PURPOSE

To update the Board on activity across the College not covered by other reports.

2. BACKGROUND

The Principal provides a regular report outlining a full range of college activity since the last Board meeting in March 2019.

3. DETAIL

This report will cover business critical aspects of college business under the following headings where these matters are not already covered in substantive items on the agenda:

- Introduction
- Building our reputation
- Colleges Scotland – City Deal
- Zhejiang Yuexiu University of Foreign Languages delegation
- Granton waterfront – The Learning strategy
- Sector Funding
- Independent panel report to The Review of Post 18 Education and Funding

4. BENEFITS AND OPPORTUNITIES

The report covers many positive opportunities for external engagement for staff and students.

5. STRATEGIC IMPLICATIONS

The Principals report provides an overview of activity relevant to the sector and on-going strategic development of the college.

- 6. RISK**
Not applicable.
- 7. FINANCIAL IMPLICATIONS**
There are no financial implications.
- 8. LEGAL IMPLICATIONS**
There are no legal implications.
- 9. WORKFORCE IMPLICATIONS**
There are no workforce implications.
- 10. REPUTATIONAL IMPLICATIONS**
There are no reputational implications.
- 11. EQUALITIES IMPLICATIONS**
There are no equalities implications.

CONCLUSIONS/RECOMMENDATIONS

The Board of Management are asked to NOTE the information contained in this report and raise or DISCUSS any issues for further information.

PRINCIPAL AND CHIEF EXECUTIVE REPORT

1. Introduction

1.1 Industrial action update

The last few months have proved very challenging for staff and students as industrial action continued during May with 2 days of strikes and continued action short of strike throughout May and June. As before, all four campuses remained open and support was given to students who continued to attend college to study and to attend exams and assessment. Staff were proactive in mitigating any negative impact on the students and where possible, ensured results were in the system or handed over to ensure input.

At the point of writing this report an agreement between Employers and EIS has been agreed. The EIS ballot closed on 10 June and EIS members accepted the offer - see Appendix 2. I will provide a current update at the Board meeting.

1.2 Queen's Park Shield champions

I would like to single out the Edinburgh College men's football team who won the Queen's Park Shield in April. This was the first ever win for a college team in the 92-year history of the competition that originally only included Scotland's four ancient universities. The prestigious shield is now open to every university and college in Scotland, and after the teams couldn't be separated after 90 minutes, a penalty shootout was a fitting way to settle the first ever college versus university final. I am very pleased to say I was there to see the achievement and am delighted that Board members will get the opportunity to congratulate some of the players on the day of the Board meeting.

1.3 Gift to the College

And finally, Edinburgh College has received a very substantial financial donation from former Board member, Stephen Dunn. Stephen made the donation to help improve the facilities within the photography department at Sighthill campus. The plans are to reconfigure the darkroom into a digital darkroom, colour management and print facility with a multi-cinema and workshop teaching area. This donation will enhance the experience for students studying photography here at Edinburgh College.

2. Building our reputation

2.1 Brexit summit

The Minister for Further Education, Higher Education and Science, Richard Lochhead MSP, hosted a second Brexit summit to bring further and higher education institutions and stakeholders back together to discuss some more practical ways in which they might address the challenges arising from the UK's departure from the EU. In particular the event focused on (i) considering some practical ways in which institutions might rise to the challenge of addressing potential skills gaps in Scotland's economy; and (ii) how they might continue to work in partnership with EU colleagues in a post-Brexit context. In addition to hearing from keynote speakers, the summit also had an interactive element allowing for sharing of insight and best Practice. At the request of Scottish

Government, I facilitated one of four more detailed discussions which took place with attendees. It is my understanding that notes will be collated by the SFC and circulated in which case I will ensure these are circulated to the Board.

2.2 WorldSkills Round Table: Pursuing Innovation and Excellence in Skills Systems from Global Insights

Edinburgh College hosted, and I attended a WorldSkills roundtable discussion session on Tuesday 7 May 2019. Atif Shafique, Senior Researcher at the Royal Society for the Encouragement of Arts, Manufactures and Commerce (RSA), provided an overview of the research that had been developed with a focus on learning from global examples and exploring links between skills systems and economic outcomes, with specific reference to four examples – Switzerland, Russia, Shanghai and Singapore. This evidenced consistent key themes across the different case studies, namely the development and maintenance of established vocational education pathways linked to industry and strong career guidance systems.

A discussion session chaired by Dr Neil Bentley-Gockmann, Chief Executive, WorldSkills UK, incorporated a focus on how the lessons learned from the research could be applied in a UK and Scotland context, and what steps needed to be taken by educational and industrial stakeholders in order to accomplish this.

2.3 Chamber of Commerce

I recently led a session for the Edinburgh Chamber of Commerce at its Leadership Sessions.

The Leadership Sessions are designed to provide professional development at a senior level to members of the Chamber. Each session gives for an insight into lessons learned, personal development and professional advice. This was an opportunity for knowledge exchange, high level introductions and to create a supportive community.

2.4 SCDI

On the 25 and 26 April 2019, the SCDI hosted its 48th Annual Forum. The two-day programme provided networking opportunities for participants and interactive debate, focusing on how we strengthen the foundations of economic growth and turn the environmental, demographic, mobility, educational and technological challenges that Scotland currently faces into clear economic opportunities for our future.

I was part of a 3 person panel discussing business operating models to enhance business productivity through the emerging and disruptive technologies of the Fourth Industrial Revolution.

2.5 Apple Authorised Training

Edinburgh College has received Apple Authorised Training Centre status, the only certified AATCe in Scotland, and subsequently the only college in Scotland to be accredited by Apple. This will ultimately allow us to build on the expertise of staff and deliver scheduled certified training courses in the area of music technology, video production and software development in iOS.

3. Colleges Scotland: City Region Deal

Jon Buglass, Vice Principal, spoke to a City Region Deals Workshop organised by Colleges Scotland. This was to enable Colleges Scotland to gain a comprehensive view of the college involvement

across the country and then further examine how colleges could benefit from the opportunities that may be presented within their own City Region Deals. Colleges learned from the Edinburgh College model, which has collaborated with other Colleges and Universities successfully and is the only Scottish City Deal to have ring-fenced skills investment to accelerate growth.

4. Zhejiang Yuexiu University of Foreign Languages delegation

In May, Michael Jeffrey, Vice Principal, hosted a delegation from Zhejiang Yuexiu University of Foreign Languages, a new partner in China. The College and ZYUFL signed an MOU in February and have subsequently sent a proposal for their students to attend our English Language Summer School programme in July. We see this as signifying the beginning of many years of cooperation between our two institutions, with the potential for staff training currently being discussed. The College is travelling to China in July to further these discussions with the prospect of training starting in 2020.

5. Granton Waterfront – The Learning Strategy

A short life working group was established by Vice Principal, Jon Buglass, to look at the College's approach to the local learning strategy, precipitated by the Granton Waterfront Development. The College has formulated a manifesto which is currently going through design, and will feature as a part of the overall plan led by the Scottish Futures Trust. The College will be central in developing a seamless joined up local learner journey from primary, secondary, college through to University and employment. Further to this, the College seeks to link more effectively with the local community, develop and utilise its assets, and collaborate with new local business partners to optimise opportunities for mutual growth.

6. Sector Funding

6.1 Draft Budget 2019/20

The Budget (Scotland) (No.3) Bill was passed and formally approved by the Scottish Parliament on Thursday 21 February 2019. The Scottish Budget outlines the Scottish Government's proposed spending and tax plans for 2019/2020. The Scottish Funding Council published its final outcome agreement funding allocations for Scotland's colleges and universities. These are for the next academic year, 2019-20.

The final allocations follow the publication of indicative allocations published at the end of February and based on the Scottish Draft Budget. The impact for Edinburgh College on the summary financials mean £2k more for capital formula and £1k less for ESF funding. There is a reduction in the core childcare credits of 627 credits that we have to achieve. There is no cash effect.

6.2 Simplified Funding Model

The modelling work being undertaken by SFC was to be discussed at a College Funding Model Review Working Group meeting in February 2019 however, this meeting was postponed while Colleges Scotland discusses with the Scottish Government and SFC the remit of the project. This matter was subsequently raised at a meeting with Richard Lochhead MSP, Minister for Further Education, Higher Education and Science on Wednesday 24 April 2019. The Minister acknowledged the benefits of such a review and agreed to seek further clarity from SFC in the first instance on this matter.

I am one of four College Principals' who is a member of the Colleges Scotland/Scottish Funding Council Funding Group.

6.3 Audit Scotland – *Scotland's Colleges 2019* Report

The Audit Scotland - *Scotland's Colleges 2019* Report was published on 4 June 2019. The key findings included:

- An increase in Scottish Government funding to colleges will cover only the costs of making staff pay and conditions consistent across the sector.
- Meanwhile, money allocated for buildings and infrastructure will fall short of the estimated costs of maintaining the college estate.
- Most colleges are forecasting deficits in the next five years, as the gap between their income and expenditure continues to widen. Only a small number of these colleges were found to have identified specific actions to deal with shortfalls.
- Despite these challenges, student numbers have increased, and the sector continues to exceed its learning activity targets. However, there is wide sector variation in measures of student success, such as numbers completing their course or getting a job. And there is room for clearer Scottish Funding Council reporting on colleges' performance, including around student satisfaction figures.
- The key messages that are emerging are that colleges are continuing to operate in narrow financial margins and as a result are more reliant on Scottish Government and SFC funding. Capital funding is increasingly insufficient to address the level of need across the sector in this regard, whilst opportunities of alternative funding, such as commercial income, remain limited.

The full report can be found here: <https://www.audit-scotland.gov.uk/report/scotlands-colleges-2019>

6.4 Flexible Workforce Development Fund (FWDF)

The SFC is currently undertaking an in-year review of progress at a regional level and will report in due course. Colleges Scotland is actively engaged in dialogue with the Scottish Government regarding the distribution of the FDWF in the 2018/9 academic year. A workshop took place for key staff to provide feedback on the delivery and implementation of the Fund and to work with the Scottish Government and SFC with a view to developing and delivering changes before the commencement of the new academic year.

Edinburgh College has allocated its full funding of £1.62M with over 100 industry partners this session. This is the largest allocation of all colleges in Scotland and a significant achievement for the College. We anticipate that the end of May report to SFC will conclude our activity on the fund for this year with everything allocated and fully contracted.

6.5 Capital Working Group - Capital Infrastructure Framework

Colleges Scotland is in discussions with SFC around a project to capture the capital needs from across the sector. The capital needs would include both the estate and digital requirements. At the Colleges Strategic Futures Group in February 2019, Colleges Scotland agreed to lead on a piece of

work which examines how we progress on both a digital and estates infrastructure strategy. Colleges Scotland will report back to the Colleges Strategic Futures Group.

The development of a College Digital Strategy is a key priority for the Executive to progress through 19/20.

7. Independent panel report to The Review of Post-18 Education and Funding

In February 2018 the UK Government set up an independent panel review to look further at how it could ensure the post-18 education system was joined up and supported by a funding system that works for students and taxpayers. The independent panel was chaired by Philip Augar and comprised of experts from across post-18 education and the business world, and consulted with, among others, people currently or recently participating in post-18 education. The Augar review was published on 30 May and the key findings of most note for colleges included:

Further education

- Reversal of the 17.5% reduction in funding for 18 year olds
- Funding rates for economically valuable adult FE courses should increase
- There should be three year budgets for adult education; £1 billion capital investment plan for further education; and investment in the FE workforce
- The college title should be protected (like the university title)
- There should be a national network of colleges as organisations that focus on technical and professional education at Level 3 to 5 delivering skills for their communities and acting as engines of social mobility

The full report can be found here

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/805127/Review_of_post_18_education_and_funding.pdf



The Educational
Institute of Scotland

Ref: LF/AS/STRIKEFELA
10 June 2019

To NRPA College Principals

By Email

Dear Principal

EIS-FELA Pay Dispute – Action Short of a Strike

Further to my letter of 1 April providing statutory notice of a programme of action short of a strike, I am writing to advise that affected EIS members employed by your college will no longer be asked to undertake the industrial action short of a strike which took the following forms:

- (i) a "resulting boycott", involving members refusing to enter or record student results in the college's results system; and/or
- (ii) a withdrawal of 'goodwill' i.e. refusing to carry out activities which are not contractually required

This is in acknowledgement of the result of the consultative ballot on pay which closed today, Monday 10th June and returned a majority in favour of acceptance of the pay element of the offer.

Yours sincerely

A handwritten signature in black ink that reads 'Larry Flanagan'. The signature is written in a cursive, slightly slanted style.

Larry Flanagan
General Secretary

BOARD OF MANAGEMENT
18 JUNE 2019
PAPER R, APPENDIX 3



FOR DISCUSSION / DECISION			
Board of Management 18 June 2019			
Presented by	Nick Croft		
Author/Contact	Nick Croft	Department / Unit	Corporate Development
Date Created	03 May 2019	Telephone	07969955386
Appendices Attached			
Disclosable under FOISA	Yes		

EDINBURGH COLLEGE HORIZON SCANNING REPORT – JUNE 2019 BOARD OF MANAGEMENT CYCLE – EDITION 4

1. PURPOSE

This report seeks discussion on the College's fourth edition of the Horizon Scanning Report. The Board is also requested to consider any additions it may wish to add to the report, and review the purpose and content of the report over 2018/19.

2. MAIN REPORT

The fourth edition of the Board of Management's Horizon Scanning Report has been co-produced by the Executive Team, Senior Management Team and Board committees, and this is attached at Appendix 1.

The report describes major political, economic, social, technological, legal or environmental developments (PESTLE) that could impact on the five aims of the Edinburgh College Strategic Plan 2017/22, summarises what those impacts might be, and proposes a suggested course of action to respond to identified impacts.

Relevant horizon scanning material can be sent to horizon.scanning@edinburghcollege.ac.uk.

As this is the fourth and last edition of the report during the 2018/19 AY, all those involved in the development and publication of the report, including the Executive Team, SMT, Committees and the Board, are being asked to review the purpose, content and design to agree improvements for the 2019/20 session.

Feedback to date has indicated that many find the report useful and would like to see it continue into the 2019/20 AY. Suggested improvements include, (i) the covering report should identify matters of key interest and relevance for each committee, (ii) there should be even more focus on genuinely strategic matters of importance, and (iii) the report should indicate links to the top level risk register.

3. BENEFITS AND OPPORTUNITIES

This report will enable the Board of Management and its committees to improve awareness of, and better respond to, key strategic developments. By co-producing this document across the College, it will lead to more opportunities for staff, students, board members, and key partners, to engage in horizon scanning activity.

4. STRATEGIC IMPLICATIONS

All identified horizon scanning results are aligned to the five strategic aims of the Edinburgh College Strategic Plan 2017/22. Therefore, any required college action in response to horizon scanning results will be aligned to the Strategic Plan 2017/22 aims, college strategy or operational plan objectives.

5. RISK

The horizon scanning report will enable the College to better identify risks arising from strategic developments. Significant risks to the College as a result of strategic developments identified in the horizon scanning report will be managed through operational risk registers, or the Top Level Risk Register.

6. FINANCIAL IMPLICATIONS

Any financial implications identified through the horizon scanning report will be managed by the Senior Management Team and Executive Team.

7. LEGAL IMPLICATIONS

Any legal implications arising as a result of this report will be managed by the Senior Management Group and Executive Team.

8. WORKFORCE IMPLICATIONS

Any workforce implications arising as a result of this report will be managed by the Senior Management Team and Executive Team. By co-producing this report, more staff will have an opportunity to engage in horizon scanning activity and analysis.

9. REPUTATIONAL IMPLICATIONS

Any reputational implications arising as a result of this report will be managed by the Senior Management Team and Executive Team. The development of this report will enable the College to better identify potential reputational risks or opportunities.

10. EQUALITIES IMPLICATIONS

Any equalities implications arising as a result of this report will be managed by the Senior Management Team and Executive Team.

RECOMMENDATIONS

The Board is recommended to DISCUSS, and AGREE any additions to, Edition 4 of the Horizon Scanning Report. In addition, the Board is requested to review the purpose, content, and design of the report.

Strategic Plan Aim	Horizon Scan Results	College Response
1 – Delivering a superb student experience	Education Scotland School Leaver Destinations Data 17/18 – A wide array of data is now available which indicates continued improvements in school leaver destinations across Scotland. However, whilst HE destinations are up since 2009/10 (36.2% to 41.1%), FE destinations are roughly the same (26.9% to 26.5%). Further detailed information is available from: https://education.gov.scot/news-and-events/news/new-data-released-on-attainment-of-school-leavers .	The data is being analysed by the Business Intelligence Group and will inform future college strategies.
	15-24 Learner Journey Review - Over the past few months, the Colleges Scotland Implementation Team (principals and technical specialist colleagues from across the sector) has been regularly engaging with the various Scottish Government groups taking forward the 17 recommendations of the review. A Quarter 1 progress report and First Phase Programme Delivery Plan is available from Colleges Scotland.	The Executive and Senior management Team continue to monitor developments and engage in national working groups.
	Parliamentary Bills – A review of up and coming Scottish Parliamentary legislation has indicated a number of Bills which may affect the student experience, including (i) children and young people information sharing bill (ii) period products free provision bill. (https://www.parliament.scot/parliamentarybusiness/Bills/576.aspx).	The Student Experience Team are aware of the potential impact of (i) on transition arrangements for students that have child plans and PLPs, and (ii) on period product provision.
	16-24 Year Old – Job Grant - The Scottish Government is consulting on its key eligibility criteria and format of the Job Grant, a new benefit which will be delivered by Social Security Scotland to support young people moving into employment.	The Student Funding Team will be made aware of the grant when it comes on line.
	Home Fee Status for EU Students - The Scottish Government announced an extension of the home fee status guarantee to EU and associated students commencing a course of Further or Higher Education in the 2020/21 academic year. This guarantee will cover the duration of a student’s course and will provide confidence for prospective EU students considering coming to Scotland to study.	The College BREXIT Working Group is aware of this information and will make students aware.
	NUS - Due to significant financial problems, over recent months NUS has had to embark on a significant savings programme, involving employee cost reductions and the sale of building assets.	ECSA are aware of this situation and assessing any local impacts.
2 – Providing an excellent curriculum	Understanding skills demand in a changing world – SDS has published a report indicating what Scotland needs to do to drive the skills agenda of the future -	The Future Curriculum 2025 Project is aware of this report.

	https://www.skillsdevelopmentscotland.co.uk/what-we-do/skills-planning/skills4-0/	
	<p>Edinburgh City Region Deal – Data Driven Innovation Funding – On the 1 March 2019 the City Region Deal Joint Committee agreed multi million pound funding to invest in DDI in colleges across the region - https://edinburgh.public-i.tv/core/portal/webcast_interactive/381869. This investment will also assist with promoting digital inclusion, an informative report on which was produced by the Carnegie Trust recently: https://www.carnegieuktrust.org.uk/publications/switched-on/</p>	The College led on developing the College DDI investment and will integrate DDI provision into the Future Curriculum 2025 Project.
	<p>Parliamentary Bills – A review of up and coming Scottish Parliamentary legislation has indicated a number of Bills which may affect curriculum provision at the College. These include the (i) children - equal protection from assault bill (ii) health and social care staffing bill. (https://www.parliament.scot/parliamentarybusiness/Bills/576.aspx)</p>	The HWb+SS Faculty are aware of implications of (i) on childcare curriculum, and (ii) on partnership work relating to HSC workforce planning.
	<p>Scottish Framework for Fair Access Launch - The Scottish Framework for Fair Access was launched on Tuesday 7 May 2019 at the University of Edinburgh. https://www.gov.scot/policies/universities/fair-access-framework/</p>	The College’s Widening Access and Equalities Group will assess the implications of the Framework.
	<p>Economy, Energy and Fair Work Committee - On Tuesday 5 March 2019, the committee took evidence on Construction and Scotland’s Economy from City of Glasgow College, Edinburgh College and New College Lanarkshire. A recording is available to watch and the Official Report is now available.</p>	The Future Curriculum 2025 Project is aware of this evidence.
	<p>Education and Skills Committee - The committee has now published its report on Scottish National Standardised Assessments undertaken at P1, P3, P7 and S3. In summary, the report acknowledges the concerns of educationalists, pupils and parents, and makes a number of key recommendations to ensure assessments are not seen as ‘high stake’, and complement other assessment approaches and CfE teaching methods.</p>	The Future Curriculum 2025 Project is aware of this report.
	<p>Core Cities Report on Cultural Cities – The Core Cities organisation recently produced a report on the potential for the cultural sector to better drive inclusive growth - https://www.corecities.com/cultural-cities-enquiry/read-report.</p>	The Creative Industries Faculty is considering the findings of this report.
3 – Supporting and inspiring our people	<p>Gender Pay Gap Action Plan – This new plan was launched by the Scottish Government and indicates commitments to create a fairer society - https://www.gov.scot/publications/fairer-scotland-women-gender-pay-gap-action-plan/.</p>	The HR / OD Team continue to monitor and report on equal pay statistics, and

		address equal pay disparities.
	Disabled People’s Employment in the Public Sector – The Scottish Government has recently produced a report responding to consultation exercise on how to improve opportunities for disabled people to be employed in the public sector - https://www.gov.scot/publications/scottish-government-response-consultation-increasing-employment-disabled-people-public-sector/ .	The HR/OD Team and College’s Widening Access and Equalities Group will assess the implications of the report.
	National Job Evaluation College Sector Support Staff – The process has now started and is being delivered in stages agreed by the National Joint Negotiating Committee – Job Evaluation Project Plan. The first stage (Stage 1) is for the completion of role outline questionnaires within each college ready for role evaluation by end of June 2019.	The HR/OD Team are leading on stage 1, which involves over 200 questionnaires being completed by College staff. More details are in the HR report to the Policy and Resources Committee.
4 – Valued in partnership and by communities	Education Scotland ‘Organising to Deliver’ - As of 1 April 2019 Education Scotland moved to a regional delivery model. There are six regional improvement teams mirroring the six geographies of the Regional Collaboratives - https://education.gov.scot/ . They also produced a new Corporate Plan for 2019/22 which places a renewed focus on partnerships, evidence based policy making, GIRFEC and improving learning, teaching and leadership - https://education.gov.scot/who-we-are/management/Corporate%20and%20business%20planning	The Executive and Senior Management Teams are aware of the structural changes, and well engaged with Education Scotland colleagues.
	The Value of Scotland’s Colleges to the Scottish Economy – A new report indicates the College sector in Scotland contributes £14.9 BN to the Scottish economy - https://collegesscotland.ac.uk/Demonstrating-the-Economic-Value/demonstrating-the-economic-value-of-scotlands-colleges.html .	This data will now feature consistently in Edinburgh College publications and engagement with stakeholders.
	Partnership Schools - A report has been published on year three of the programme led by Connect (formerly SPTC) and supported by Skills Development Scotland (SDS). Partnership Schools Scotland is working in 29 schools in eight local authorities across Scotland, and aims to create a strong school, family and community partnership model for Scottish schools to support children’s learning - https://connect.scot/application/files/5915/5430/1354/Connect_Partnership_Schools_Scotland_Year_3_Report_FINAL_3_April_2019.pdf .	The Edinburgh Schools College Partnership work continues to evolve and grow across the three local authority areas.
	UK Government Industrial Strategy – Delivery of the UK Industrial Strategy continues to evolve, with new funding streams coming on line, many available to the education sector - https://www.gov.uk/government/topical-	The Commercial and International Team will progress work to explore

	events/the-uks-industrial-strategy .	opportunities for College funding.
5 – An efficient and effective College	Independent Commission on the College of the Future - A new independent commission was launched on Thursday 28 March 2019 to set out a new vision for colleges in England, Northern Ireland, Scotland and Wales. The Independent Commission on the College of the Future will be chaired by Professor Sir Ian Diamond, Regional Chair, Edinburgh College, and Audrey Cumberland MBE, Principal and Chief Executive, Edinburgh College, is a member of the commission.	The Executive and Senior Management Teams are well aware of these developments and will be monitoring any consequent recommendations closely.
	Audit Scotland – College Governance Statement Guidance – Audit Scotland has published new guidance on improving the quality of College Governance Statements, which are part of College annual report and accounts.	The Audit, Risk and Assurance Committee discussed this matter at their meeting on 29 May 2019.
	UK Research and Innovation – new funding streams continue to come on line from UKRI - https://www.ukri.org/funding/funding-opportunities/ open to colleges. Of specific interest is the ‘Strength in Places Fund’ and ‘Industrial Strategy Challenge Fund’.	The Commercial and International Team will progress work to explore funding opportunities for the College.
	Audit Scotland – Audit Scotland are due to publish their annual report on Scottish Colleges in June 2019 - http://www.audit-scotland.gov.uk/report/colleges-overview .	The Executive and Senior Management Teams will discuss this report, as will the Audit and Risk Assurance Committee.
	SFC Publications - The SFC has published the following documents since the last horizon scanning report (i) College Staffing Data 2017-18 + (ii) Higher Education Students and Qualifiers 2017-18 + (iii) In Year Transfer of Credit Activity 2018/19 + (iv) No-deal Brexit Guidance + (v) Articulation from Scottish Colleges to Scottish Universities 2017-18 .	The Executive and Senior Management Teams are aware of these publications, and their impact on the College. Information of relevant will also be examined by the Business Intelligence Group.
	Parliamentary Bills – A review of up and coming Scottish Parliamentary legislation has indicated a number of Bills which may affect college business which include the (i) climate change emissions reductions target bill (https://www.parliament.scot/parliamentarybusiness/Bills/576.aspx).	The College’s Sustainability Steering Group is developing a new college environmental sustainability strategy for 2019/24, which will respond to bill provisions when enacted.



FOR INFORMATION / DISCUSSION / DECISION			
Meeting	Board of Management 18.06.19		
Presented by	Nick Croft		
Author/Contact	Nick Croft / Marcus Walker	Department / Unit	Governance
Date Created	03.06.19	Telephone	0131 344 7048
Appendices Attached	<i>Appendix 1: 2019/20 Edinburgh College Board and Committee Schedule</i> [to follow]		
Disclosable under FOISA	Yes.		

GOVERNANCE REPORT

1. PURPOSE

This paper provides an update on ongoing governance matters within the college.

2. BACKGROUND

The report provides an update on matters brought to the attention of the Board at its meeting on 19 March 2019, and further governance developments within the College and college sector over recent months.

3. DETAIL

3.1 Governance Review

On 19 March, the Board noted that a procurement exercise to recruit an external reviewer to undertake the ‘Edinburgh College Governance Review’ had been completed, with the invitation to tender receiving one response. The Board agreed that as only one response had been received it was appropriate for two of its Non-Executive to review the procurement process and rationale for selecting the single tender - prior to its approval.

Further to this, an external party to the College also evaluated the one tender and confirmed that the quality, breadth and cost of the review was satisfactory.

On w/c 27 May 2019, with the approval of both Non-Executive Members, Advance HE were awarded the contract to conduct the Edinburgh College Governance Review.

The proposed timescale for the Governance Review in autumn 2019 will be confirmed by the Head of Corporate Development at the Board meeting on 18 June.

It should be noted that due to the lack of tenders submitted, the College has requested that the APUC framework for such tenders be reviewed to widen the breadth of potential suppliers for this area of activity.

3.2 Code of Good Governance Consultation

On 19 March, the Board considered actions arising from the Good Governance Consultation and the College's proposed response.

The Good Governance Steering Group (GGSG) which is chaired by Ken Milroy, Regional Chair, North East Scotland College, continue to work closely with the Scottish Government to implement changes outlined by Scottish Ministers. It is expected that the GGSG will share an action / implementation plan with Chairs and Principals in June, with a view to a refreshed Code of Good Governance for Scotland's College being published in September 2019.

Guidance documents, including the *'Guide for Board Members in the College Sector'* will be refreshed following the publication of the updated Code.

A further update on developments will be provided at the next meeting of the Board, and (once published) an updated version of the Code will be presented to the Board for review.

3.3 Improvement Plan 2018/19

On 18 September, the Board agreed to rollover the 2017/18 Improvement Plan to the new academic year. This decision was taken with a view to a new improvement plan being created following the proposed governance review in autumn 2019.

Below is a progress update on five objectives that were not fully met in the 2017/18 Improvement Plan. The Board are asked to monitor progress on these actions to ensure that they are complete before the introduction of a new improvement plan in 2019/20.

Status	Planned Improvement	Next Step
Green	All Board member to complete mandatory induction on governance within 6 months of joining.	2018/19 schedule confirmed, with three members attending the session on 25 April 2019 at Edinburgh College. Governance Advisor now awaiting update on future dates in 2019/20.
Green	Development of systematic approach to committee chair induction in line with code, to ensure consistent and effective convenorship.	Committee Chairs Induction Procedure approved by the Nominations Committee on 19 March.
Green	Monitor and improve effectiveness of system introduced in 2015/16 to set and review progress against individual objectives. Supporting the process by which Board members reflect on their individual contribution and consider how they can continue to effectively support the Board going forward.	The Chair of the Board to held one-to-one meetings with Board members on 03 & 04 June to discuss individual objectives.
Green	Develop more systematic approach to mentoring of new non-executive, staff and student members to ensure consistency and effective decision-making.	Board Mentorship Procedure approved by the Nominations Committee on 19 March.
Amber	Introduce a critical debrief on	To be considered further prior to

	selected decision as part of annual performance review; use findings for benchmarking in future years.	2019 Governance Review taking place.
--	--	--------------------------------------

3.4 Annual Board Self-Evaluation

The Code of Good Governance for Scotland's Colleges states that boards must keep their effectiveness under annual review and have in place a robust self-evaluation process. Arrangements for the short, medium and long term development/evaluations of the Board, stretching to the next 2019 External Governance Review have previously been noted by the Board.

In alignment with these arrangements the following annual evaluation activities have taken place:

- The Nominations Committee on 04 June reviewed **Board membership and attendance** in 2018/19.
- **Committee self-evaluations** took place at all meetings held in May and June. Finalised reports will be circulated to each committee in due course by the Board.
- A **Board Survey** was circulated to members on 29 May. The results of the survey will be feedback to the Board at its meeting on 18 June.
- **One-to-one meetings with the Chair of the Board** took place on 03 & 04 June. These meetings allowed Board members to reflect on the academic year and set objectives for 2019/20.
- The **Evaluation of the Chair** was led by the Vice Chair on 03 & 04 June, and allowed Board members to reflect on the Chair's performance in 2018/19. A report by the Vice Chair will be considered by the Board at its meeting on 18 June.

3.5 2019/20 Board Schedule

A proposed schedule for Board and committee meetings in 2019/20 was circulated to members in June for consultation.

Following feedback from the Board and Executive Team a finalised Board calendar has been agreed and will be presented to the Board on 18 June (Appendix 1, to follow).

4. BENEFITS AND OPPORTUNITIES

The implementation of robust self-evaluation processes will ensure that governance arrangements are compliant with the Code of Good Governance.

5. STRATEGIC IMPLICATIONS

Ensuring that the College has effective governance arrangements in place enables the college to deliver the Strategic Plan 2017/22, the annual Regional Outcome Agreement and the Education Scotland 'How Good is Our College?' Framework.

6. RISK

Improving governance arrangements and effective forward planning will mitigate the risk of governance failure, which currently sits as Risk 12 on the top risk register.

7. FINANCIAL IMPLICATIONS

Not applicable.

8. LEGAL IMPLICATIONS

Compliance with the Code of Good Governance is an SFC condition of grant.

9. WORKFORCE IMPLICATIONS

Not applicable.

10. REPUTATIONAL IMPLICATIONS

Reputational risks associated with poor governance may occur, if appropriate planning is not implemented.

11. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Board is asked to:

- NOTE the content of the Governance Report;
- NOTE a verbal update on the timescale for the 2019 Governance Review;
- CONSIDER progress against the Improvement Plan 2018/19
- APPROVE the 2019/20 Board and Committee Schedule.

**BOARD OF MANAGEMENT
18 JUNE 2019
PAPER T**



For the future you want

FOR INFORMATION / DISCUSSION			
Meeting	Board of Management 18.06.19		
Presented by	Ann Landels		
Author/Contact	Ann Landels	Department / Unit	Board of Management
Date Created	11.06.19	Telephone	-
Appendices Attached	None.		
Disclosable under FOISA		No.	

ANNUAL EVALUATION OF THE CHAIR OF BOARD OF MANAGEMENT 2018/19

1. PURPOSE

The report presents the results of the annual evaluation of the Chair of the Edinburgh College Board of Management for 2018/19. The evaluation was undertaken by the Vice Chair.

2. BACKGROUND

The Code of Governance for Scotland's Colleges came into effect in December 2014. Compliance with the Code is a condition of grant and colleges must include a statement in their annual report to confirm that the principles of the Code have been applied.

The Code requires the Board to agree a process for evaluating the effectiveness of the Chair, which should normally be led by the Vice Chair / Senior Independent Member.

No annual evaluation took place in 2017/18 as the current chair took up office in March 2018.

The Board agreed to follow the same procedure as had been used in four previous years, which involved a scaled questionnaire with space for comments, and a one-to-one interview between each member and the Vice Chair.

The questionnaire reflected the Code's principles on the effectiveness of Board Chairs i.e. that they should:

- Ensure the effectiveness of all aspects of the Board's role
- Ensure adequate time is available for discussion of all agenda items, particularly strategic issues
- Promote a culture openness and debate by encouraging the effective contribution of all Board Members

- Foster constructive relations between Board Members

Other questions explored the facilitation of effective governance in more depth, whether national and regional perspectives were being brought to the Board, and the fostering of constructive challenge of the Principal and Executives, to more fully reflect the Code.

The Vice Chair liaised with the Chair to discuss feedback before providing this report to the Board. Members should also note that the Chair's performance is also reviewed annually by Scottish Ministers, and the results of the College's evaluation are considered as part of that review.

3. DETAIL

3.1 Questionnaire

Eleven Board Members (from a possible total of fifteen) took part in the 2018/19 evaluation. Two members appointed in March 2019 and 1 member who left the Board in May 2019 did not take part.

Overall, Board Members believe that the Chair has upheld the principles of the Code and been an effective leader. The scores given reflect this - 20.3% of all scores were recorded as a 1 (i.e. the highest score possible); 62.6% were 2; 15.7% were 3 and 1.4% were 4. No scores of 5 or 6 were returned.

3.2 Comments

Written feedback was also positive overall and tended to be consistent across all Board Members who commented with no significant negative concerns being raised. As this was the first evaluation of the current Chair long standing Board Members commented on the different style he brings to the role. This was seen as positive and the right approach given the College's current position and future aspirations. Most members referred to the circumstances which mean that the Chair cannot be present in the College as much as his predecessor nor is he able to have as much contact with individual Board Members. A few Board Members commented that the current evaluation process was the first time they had had an opportunity to meet the Chair on a one-to-one basis. However, there was unanimity that the personal qualities, experience, expertise and contacts that the Chair brings benefit the Board and the College in a way that outweigh any disadvantages.

A number of Board Members commented that they were still getting to know the Chair and where lower scores had been given this was because Members felt they did not have enough evidence to judge the Chair's performance.

3.3 Feedback from Interviews

In addition to the questionnaire returns, Board Members were given the opportunity to have a conversation with the Vice Chair so they could provide explanation of why particular scores were given but also add further comments on the effectiveness of the Chair. Ten members who completed the questionnaire took part in the individual conversations with the Vice Chair in one-to-one meetings. These were held on a confidential basis.

In general the feedback was very positive and supported the questionnaire scoring. Board Members referred to the more strategic approach that the Chair is taking, his 'can do' attitude and dynamism. This

was tempered by a slight concern that this could lead to decisions being taken without appropriate consideration by Members. It was also recognised that the Chair's other commitments mean that he cannot be available to offer one-to-one support to Members as previously and there was a suggestion that this gap could be filled by the Vice Chair and senior Board Members. The Chair has also indicated that where diaries permit he would like to meet with Board Members more frequently and would offer more regular one-to-one meetings if this was felt to be useful.

A number of Members commented that more use could be made of individual Board Members' networks and expertise and that they could support the Chair by taking on an ambassadorial role for the College to ensure that the Board and College are appropriately represented across all three of the Council areas. It was also suggested that this could be the topic of a future Board development day.

As in previous years, members took the opportunity to comment on the actual working of the Board and how further improvements might be made to improve Board performance. There was reference to two recent items of business about which some members felt decisions had been made before they were fully informed of the proposals. This led them to feel they had been presented with a *fait accompli*. This appears to have been issues of process and communication rather than substance and should be noted by the Principal and Executive team.

As in the previous evaluation, 2016/2017, Members commented on the style and length of Board papers. The view was again expressed that they should be further improved with more use of executive summaries, shorter reports which particularly focussed on the decisions that needed to be made, and consideration of how information is used and presented to aid decision-making. Particular reference was made to financial papers where it was felt that the implementation of the suggested changes would aid Members' understanding and decision making.

Some Board Members also commented on the evaluation questionnaire, drawn up in 2014, and expressed the view that it may be time to review its use, perhaps moving to more open questions on individual performance areas coupled with an overall score.

3.4 Summary of Evaluation

The evaluation of the Chair was a comprehensive exercise involving the large majority of Board Members using an established questionnaire survey and individual feedback interviews conducted by the Vice Chair. The conclusion reached is that the Chair of the Edinburgh College Board of Management has continued to uphold the principles of the Code of Governance for Scotland's Colleges and is a very good, skilled and effective leader.

4. BENEFITS AND OPPORTUNITIES

The benefit of having a skilled and effective Chair accords well with the principles of good governance and is regarded as essential to the performance of the Board of Management and Edinburgh College overall.

5. STRATEGIC IMPLICATIONS

The Board of Management is responsible for the strategic direction of Edinburgh College.

6. RISK

A key role of the Board of Management is scrutiny and risk assessment, review and mitigation.

7. FINANCIAL IMPLICATIONS

The Board of Management is responsible for the overall budget and financial performance of the College.

8. LEGAL IMPLICATIONS

No direct legal implications arising from the evaluation.

9. WORKFORCE IMPLICATIONS

No direct workforce implications arising from the evaluation.

10. REPUTATIONAL IMPLICATIONS

A strong, effective and well-respected Chair (and Board of Management) is a reputational asset for the College.

11. EQUALITIES IMPLICATIONS

No direct equalities implications arising from the evaluation.

CONCLUSIONS / RECOMMENDATIONS

The Board are asked to DISCUSS and NOTE the paper.