



For the future you want

POLICY & RESOURCES COMMITTEE

MINUTES OF MEETING OF 20 AUGUST 2019

15:00 Boardroom, Milton Road Campus

Present: Ian Diamond; Lesley Drummond; Sam Hogrefe; Ann Landels (Chair); Niki McKenzie; Nigel Paul; Fiona Riddoch

In attendance: Sue Clyne; Nick Croft; Audrey Cumberland; Jonny Pearson; Lindsay Towns; Marcus Walker (Clerk); Alan Williamson

Observers: David Bass (Advance HE)

1. WELCOME AND APOLOGIES

1.1 No apologies were received.

1.2 The Chair welcomed David Bass (Assistant Director, Advance HE) to the meeting as an observer. The Committee NOTED that Advance HE had been appointed to conduct an external Board effectiveness review and, as part of the process, would be observing a range of Board and committee meetings over the coming months.

1.3 The Chair welcomed two Business and Management students from Scottish universities to the meeting as observers. The Committee NOTED that, through a charity organisation called the Juniper Trust, both students were shadowing Niki McKenzie, a Non-Executive Board Member, for a six-week period.

2. DECLARATIONS OF INTEREST

2.1 The Board NOTED declarations of interest from Ann Landels in relation to Item 10, in light of her position as a member of the Edinburgh College Development Trust. The Chair advised members that Nigel Paul, a Non-Executive Board Member, would act as chair for this single item of business.

3. MINUTES OF PREVIOUS MEETING

- 3.1 The Committee APPROVED the minutes from 21 May 2019 as an accurate record of the meeting.

4. MATTERS ARISING

4.1 MATTERS ARISING REPORT

- 4.1.1 Actions from the previous meeting were complete, overtaken or on the agenda, with the exception of the following:

4.1.2 *STRATEGIC NURSERY REVIEW (Minute 9.3/ 19.02.19 refers)*

The Committee NOTED that a discussion on the most appropriate strategic direction for the Granton Nursery would be held at its next meeting on 12 November.

4.2 REVIEW OF COMMITTEE OPERATION 2018/19

- 4.2.1 The Committee NOTED a finalised version of the Review of Committee Operation 2019/20, as agreed by Members outwith the meeting.

- 4.2.2 The Committee NOTED that, within the finalised versions of the review document, it had been agreed that the Chair and the Principal would consider its strategic role over the summer period and report back to members. The Chair advised the Committee that such a meeting had taken place, and the Chair and the Principal both supported the opportunity for further deep dives into key strategic items. The Committee NOTED that this matter would be considered further as part of the agenda planning process, and appropriate proposals would be brought forward for consideration by members.

5. TERMS OF REFERENCE

- 5.1 The Committee NOTED its Terms of Reference as previously agreed in September 2018. The Chair advised the Committee that the Code of Good Governance dictated that committees of the Board should regularly review their terms of reference to ensure they remain fit for purpose.

- 5.2 The Committee DISCUSSED the Terms of Reference and AGREED that its 'Purpose' should be amended slightly to include reference to IT infrastructure, which was referenced as part of the wider 'Role & Remit' of the Committee. Further to this, the Committee AGREED that the job titles of the Vice Principals and the Head of Communication, Policy & Research should be updated to reflect changes following a recent review of the senior management.

- 5.3 The Committee APPROVED its Terms of Reference, subject to the changes outlined in Minutes 5.2, and AGREED that an updated document should be attached as an appendix to the draft minutes of the meeting - for approval by the Board.

6. 'A FUTURE PROOFED COLLEGE' UPDATE

- 6.1 The Committee NOTED a verbal update from the Principal on progress achieved to date in the delivery of the next phase of the Edinburgh College Blueprint 2017/22, which focused on three new transformational themes: (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.
- 6.2 The Committee NOTED that, following discussions with the SFC, the College would receive funding to develop an outline business case for a new Construction facility at the Granton Campus. The Principal advised the Committee that prior to commencing the development of an outline business case an initial equality impact assessment was due to take place. The Committee DISCUSSED the development of a new Construction facility and its alignment with the wider Granton Waterfront Development, and welcomed the financial support provided by the SFC to develop an outline business case.
- 6.3 The Committee NOTED progress outlined by the Principal in relation to workforce planning. The Principal advised the Committee that the Executive would continue to progress workforce development matters with a view to responding to past internal audit recommendations on workforce management and succession planning.
- 6.4 The Committee NOTED that the Cabinet Secretary for Finance, Economy and Fair Work, Derek Mackay MSP, had commissioned the Principal, and her counterpart at City of Glasgow College, to produce a report on the economic impact of colleges in Scotland. The Principal advised the Committee that the published report would be considered by the Board at its meeting on 10 December.

7. RECRUITMENT & RETENTION DASHBOARD

- 7.1 The Committee NOTED an overview, from the Vice Principal, Education & Skills, of the performance of the College against its 2018/19 recruitment and retention targets. The Vice Principal reminded the Committee that the SFC had set the College an activity target of 187,969 for the 2018/19 academic year.
- 7.2 The Committee NOTED that the indicative final credit position of the College for the 2018/19 academic year was 188,326. The Vice Principal advised the Committee that the College had exceeded its activity target for a third successive year.
- 7.3 The Committee NOTED that the College had witnessed a 4% decrease in its number of full-time students, and an increase of 96% in the number of part-time students over a three-year period. The Vice Principal advised the Committee that a 2% decrease in the final credit positions between 2017/18 and 2018/19 was attributed to a shift in full-time to part-time enrolment, and in particular, the effects of the introduction of Flexible Workforce Development Funding.

- 7.4 The Committee NOTED that the early withdrawal of students from courses, before 25% of their study period had elapsed, had reduced from 4.4% in 2016/17 to 3.8% in 2018/19. The Committee welcomed the decrease in early withdrawals and DISCUSSED the continued work of the College to reduce the earlier withdrawal of full-time students, including the development of meta-skills within the curriculum and the continued review of attendance patterns and timetables.
- 7.5 The Committee NOTED that the SFC had set the College an activity target of 187,947 for the 2019/20 academic year, approximately 22 credits less than the previous year. The Vice Principal advised the Committee that the number of applications to the College had increased by 28% since 2017/18, whilst the number of offers made had increased 24%. The Committee DISCUSSED the difference between the number of 'offers made' and the number of 'offers accepted', which had only seen a 5% increase since 2017/18. The Vice Principal informed the Committee that this was due to a lag between 'conditional' and 'unconditional' offers being made and processed, and that going forward (into the next academic year) the system would become fully automated.

The Head of Finance joined the meeting

8. MANAGEMENT ACCOUNTS TO JUNE 2019

- 8.1 The Committee NOTED the financial performance of the College as outlined in the Management Accounts to June 2019. The Head of Finance informed the Committee that a table had been included in the Management Accounts to highlight the variance against the 2019/20 College Budget.
- 8.2 The Committee DISCUSSED the efforts of the College to mitigate the costs of unfilled rooms in the Granton accommodation for the remainder the contract. The Chief Operating Officer advised the Committee that the original contract signed by the legacy college could not be undone, unless at significant cost.
- 8.3 The Committee NOTED that there was currently an adverse Income / Expenditure annual forecast difference compared to the full-year budget, relating to the:
- i) Granton accommodation (Minute 8.2 refers);
 - ii) net effect of Tuition Fees and Education Contracts;
 - iii) forecast Nursery trading position shortfall;
 - iv) WEACTION contract shortfall;
 - v) current catering shortfall after outsourcing.
- 8.4 The Committee NOTED that it would consider more detailed updates on the nursery and how the new catering company is performing at its meeting on 12 November. Further to this, Chair advised the Committee that the Corporate Development Committee, on 27 August, would consider shortfalls in the commercial activity. The Committee DISCUSSED all the areas of adverse Income / Expenditure highlighted in Minute 8.3, and AGREED that the Committee should continue to maintain a strategic focus on each of these areas going forward.

- 8.5 The Committee DISCUSSED the repayment of £2.9m to the SFC for advanced voluntary severance funding from 2018/19 to 2020/21. The Chief Operating Officer informed the Committee that the College had met with the SFC and discussions regarding extending the period of repayment remained ongoing. A grant repayment of £500k was made in July 2019.

9. HUMAN RESOURCES REPORT

- 9.1 The Committee NOTED a Human Resources Report which included updates on employee relations, HR operations and organisational development.
- 9.2 The Committee NOTED that a settlement had been reached by the National Joint Negotiating Committee (NJNC) on a collective agreement on the pay and conditions of service for lecturers from 01 April 2019. The Head of HR & OD advised the Committee that the settlement added an additional £1.1m to the College's pay costs, of which much would need to be found through additional income and/or efficiencies in service delivery.
- 9.3 The Committee DISCUSSED the work undertaken by the Head of HR & OD, with the support of the Executive, to review workforce planning to meet the challenges of a significantly increased staffing costs following national pay and conditions settlements. Further to this, the Chair of the Board highlighted the central need to continue to promote equality and diversity as part of forward planning and future strategic development.

10. EDINBURGH COLLEGE DEVELOPMENT TRUST: FUNDING SUPPORT UPDATE

Nigel Paul assumed the role of Acting Chair

- 10.1 The Committee NOTED that, further to the update provided to the Board on 18 June, the Edinburgh College Development Trust (ECDT) had held a Development Day to consider suitable financial sustainable business models. The Principal advised the Committee that the Trust had agreed to create a short-life working group to produce a business model proposal for the ECDT to consider, and if appropriate, approve at its next formal meeting.
- 10.2 The Committee NOTED that the Vice Principal Corporate Development and the Head of Communications, Policy and Research would represent the College on the working group, whilst Nigel Paul, a Non-Executive Board Member, would join the Vice Chair of the Board in representing the Board. The Committee DISCUSSED the remit of the working group, and AGREED to endorse the participation of two Non-Executive Members on behalf of the Board.
- 10.3 The Committee NOTED recognised the significant progress made towards creating a financial sustainable business model for the ECDT, and welcomed the opportunity to consider a business proposal at the Board meeting on 10 December.

11 HORIZON SCANNING REPORT

11.1 The Committee NOTED a Horizon Scanning Report which outlined major political, economic, social, technological, legal and/or environmental developments that could impact on the five strategic plan aims of the college. The Head of Communications, Policy and Research advised the Committee that further to this, the report also indicated what the College was doing to address these impacts.

12 ANY OTHER COMPETENT BUSINESS

12.1 POLICY & RESOURCES COMMITTEE AGENDA PLANNER 2019/20

12.1.1 The Committee NOTED an agenda planner for the academic year, which aimed to provide members with an opportunity to review upcoming items of business. The Chair advised the Committee that it was important to follow an appropriate plan of work in order to ensure that future agendas cover all areas within the remit of the Committee.

12.1.2 The Committee welcomed the opportunity to consider future agenda, and DISCUSSED potential items of business not already included. The Committee AGREED that the Executive should consider how best to keep members informed on matters relating to Estates and IT Infrastructure (specific items highlighted within the remit of the Committee) going forward.

12.1.3 The Committee AGREED that it would welcome performance reports in relation to key strategies it had approved in the previous academic year.

12.1.4 The Committee NOTED the need to maintain flexibility within its agendas in order to deal with events arising through the academic year. The Chair advised the Committee that its highlighted by members would be considered for inclusion in future agendas, and an updated planner would be presented to the next meeting of the Committee.

13 DATE OF NEXT MEETING

13.1 The next meeting of the Policy & Resources Committee shall take place on 12 November 2019, in the Boardroom, Milton Road Campus.

Meeting closed at 17:00